CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

National income and expenditure in the fourth quarter of 1977

The nation's food - 40 years of change

The Budget: 11 April 1978

The economic outlook to mid-1979

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Release dates of economic statistics to be published in May 1978

This list is published by the Government Statistical Service as a guide to the dates of publication of major economic series in May. The dates are those which Departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further enquiries about individual series should be addressed to the source named.

Publication date	Series	Method of release	Source
May 1978			
Wed 3	UK official reserves (April)	PN	HM Treasury
	Capital issues and redemptions (during the month of April)	PN	Bank of England
Thurs 4	Building society house prices and mortgage advances (1st qtr)	PN	D of the Environment
Mon 8	Wholesale prices index numbers (April—provisional)	PN	D of Industry
	Slum clearance (1st qtr)	PN	D of the Environment
	Housing starts and completions (March)	PN	D of the Environment
	House renovations-work completed (1st qtr)	PN	D of the Environment
Tues 9	Retail sales (March—final)	PN	D of Trade
	CBI Industrial Trends Survey (April)	PN	CBI
	London clearing banks' monthly statement (mid-April)	PN	CLCB
	UK banks' eligible liabilities, reserve assets, reserve ratios and special deposits (mid-April)	PN	Bank of England
	Hire purchase and other instalment credit business (March)	PN	D of Trade
Wed 10	Central government financial transactions (including borrowing requirement) (April)	PN	HM Treasury
Thurs 11	Finished steel consumption and stock changes (1st qtr—provisional)	PN	D of Industry
	Provisional figures of vehicle production (April)	PN	D of Industry
Fri 12	Usable steel production (April)	PN	BSC/BISPA
	Building Societies' receipts and loans (April)	PN	BSA
Mon 15	Retail sales (April—provisional)	PN	D of Trade
	Turnover of the catering trades (1st qtr)	PN	D of Trade
	Balance of payments current account and overseas trade figures (April)	PN	D of Trade/CSO
Tues 16	Index of industrial production (March—provisional)	PN	CSO
Wed 17	Basic rates of wages and normal weekly hours (April)	PN	D of Employment
	Monthly index of average earnings (March)	PN	D of Employment
Thurs 18	Building Societies' mortgage survey, 5 per cent sample survey results (1st qtr)	PN	D of the Environment
	UK banks' assets and liabilities and the money stock (mid-April)	PN	Bank of England
	London dollar and sterling certificates of deposit (mid-April)	PN	Bank of England
	Consumers' expenditure (1st qtr—2nd preliminary estimate)	PN	CSO
	Cyclical indicators for the UK economy (April)	PN	CSO
Fri 19	Retail prices index (April)	PN	D of Employment
	Construction—new orders (March)	PN	D of the Environment
Sun 21	Department for National Savings' monthly progress report (April)	PN	D for National Savings
Mon 22	Turnover of the motor trades (1st qtr)	PN	D of Trade
	Preliminary estimate of gross domestic product based on output data (1st qtr)	PN	CSO
Tues 23	Unemployment (May—provisional)	PN	D of Employment
	Unfilled vacancies (May—provisional)	PN	D of Employment
	New vehicle registrations (April)	PN	D of Transport
Thurs 25	Unemployment (April—final)	Gazette	D of Employment
	Employment in the production industries (March)	Gazette	D of Employment
	Overtime and short-time working in manufacturing industries (March)	Gazette	D of Employment
	Stoppages of work due to industrial disputes (April)	Gazette	D of Employment
	Car and commercial vehicle production (April—final)	PN	D of Industry
	Capital expenditure by the manufacturing, distributive and service industries (1st qtr—provisional)	PN	D of Industry
	Manufacturers' and distributors' stocks (1st qtr—provisional)	PN	D of Industry
	Bricks and cement production (April)	PN	D of the Environment
	Energy Trends	PN	D of Energy
Fri 26	Sales and orders in the engineering industries (February)	T and I	D of Industry

PN=Press Notice T and I=*Trade and Industry*

CENTRAL STATISTICAL OFFICE

Economic Trends

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April 1978

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Government Statistical Service

A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics divisions of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned.

The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

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Introduction

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a calendar of current economic events. It is important to note that data included in this section may not be wholly consistent with other series shown in the publication which have gone to press earlier.
- The main section shows the movement of the key economic indicators over about the last 5 years. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base date for convenience of comparison.
- A further chart shows the movements of 4 composite indices over 19 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on national accounts appear in the January, April, July and October issues and on balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology. The regular 'Round-up' feature contains notes on relevant articles appearing in other government publications, news of developments in economic statistics and brief synopses of any new publications.

Notes on tables

1. This issue contains information available to the CSO on 18 April in respect of the main tables and charts. The 'Latest developments' section may contain later information.

2. Statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

Symbols used:

..	not available or not meaningful
–	nil or less than half the final digit shown
§	series for which measures of variability are given on page 68
†	indicates that the data have been revised since last issue; the period marked is the earliest in the table to have been revised

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Latest developments in the economy[1]

Data available as at 20 April, 1978

Output

The latest estimates of the index of industrial production up to January indicate that industrial output in the period November to January was 1 per cent higher than in the previous three months; despite this, it is considered that the underlying level of industrial output has changed little. The level of steel production continued to recover in March and was 5 per cent higher than a year earlier. Car production in March was higher than in January or February and, in the first three months of 1978, was 9 per cent higher than in the preceding three months.

Housebuilding

In the three months ending February, housing starts were 12 per cent down on the previous three months but 7 per cent higher than a year earlier. Total completions in the same period were 6 per cent less than in the previous three months but 1 per cent higher than a year ago.

Consumers' expenditure

Preliminary estimates suggest that the volume of consumers' expenditure rose by about 1¼ per cent between the fourth quarter of 1977 and the first quarter of 1978. There were substantial increases in expenditure on motor vehicle purchase and on household durable goods. Expenditure on alcoholic drink and on fuel and light also rose but expenditure on food fell back from the high level of the previous quarter. The volume of retail sales in March fell back a little from the high February level but, taking the first quarter as a whole, the volume of retail trade was 1½ per cent higher than in the previous quarter and 2 per cent higher than the average for 1977.

Earnings and wage rates

Average earnings of employees in all industries and services in Great Britain are estimated to have risen by 10·4 per cent between February 1977 and February 1978. This estimate is based on the new series of monthly index numbers of average earnings for the whole economy (not seasonally adjusted). The older series, which is seasonally adjusted, rose by 1·4 per cent compared with January.

The index of basic weekly wage rates (not seasonally adjusted) rose during March and, at the end of that month, was 5·7 per cent higher than a year earlier. This index takes account of changes in nationally negotiated rates only.

Prices (not seasonally adjusted)

The index of retail prices for March was 191·8 (January 1974 = 100). This represents an increase of 0·6 per cent on February and of 9·1 per cent on March 1977.

Wholesale prices index numbers for March suggest that the prices of home sales of manufactured products increased by ½ per cent over the previous month. The change in the index for all manufactured products measured over a twelve-month period fell from 12½ per cent in February to 11¾ per cent in March. Prices of materials and fuel purchased by manufacturing industry rose by 2 per cent in March. This is the first monthly increase in the index since April 1977. Coal prices increased and the depreciation of sterling during March accounted for increases in prices of many other materials, principally crude oil.

Trade and balance of payments

In the first quarter of 1978, there was a visible trade deficit of £518 million compared with a surplus of £45 million in the last quarter of 1977. The worsening of some £560 million reflected a marked deterioration in trade balances of most broad commodity groups; on this occasion the more erratic items of trade contributed comparatively little to the fall. Export volume rose by 2½ per cent but import volume increased by 11 per cent; the terms of trade index rose by 2½ per cent.

In March, the current account was estimated to have been in deficit by £164 million. The deficit on trade in goods was £264 million and the balance on invisibles is projected to have been running at a monthly surplus of about £100 million.

Money Stock

During the four weeks to 15 March the broad sterling version of money stock (sterling M_3) and the narrow version (M_1) both showed increases of about ½ per cent. Domestic credit continued to expand at about the same rate as in the previous banking month. The public sector borrowing requirement was covered by purchases of debt by the general public; bank lending to the private sector fell back a little but sterling lending to overseas residents again rose strongly with export finance continuing to account for part of the growth.

Economic events

March

19 The retail prices index showed a rise of 9·5 per cent in the 12 months to mid-February.

21 The Government published a White Paper (*The Challenge of North Sea Oil*, Cmnd 7143) explaining how it intends that the benefits of North Sea oil should be used. It outlined four uses of the revenue:
- a sustained increase in industrial investment
- improved industrial performance
- investment in energy, from conventional and alternative sources
- to improve essential services and infrastructure.

The Prime Minister summarised the Government's objectives as to strengthen the country's industrial and social base, and to bring to fulfilment the national recovery that had already begun.

22 A White Paper on the future financial structure of the steel industry was published – *The British Steel Corporation: the road to viability* (Cmnd 7149).

Teachers' unions and local authority employers reached agreement on a pay increase of just under ten per cent for 500,000 teachers.

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

23 The Prime Minister visited President Carter in Washington to discuss a greater level of economic co-operation between the major industrialised nations between now and the proposed July summit meeting.

30 A new voluntary system for the regulation of the British securities markets was launched under the aegis of the Bank of England. Mr. Patrick Neill is to be the head of the new Council for the Securities Industry, which is expected to have its first meeting in May.

April

3 The National Enterprise Board outlined a new £1·3 billion investment programme for British Leyland, which was fully approved by the Government, and will include £850 million of state funds over the next four years.

The regular broadcasting of business in the House of Commons began. Lord Croham, who as Sir Douglas Allen was head of the Home Civil Service until December 1977, is to become a special adviser to the Governor of the Bank of England.

4 A White Paper on the re-organisation of the electricity supply industry in England and Wales (Cmnd 7134) was published, proposing a unified structure for the industry under a new Electricity Corporation. The Post Office's National Giro began three new banking services for customers – deposit accounts, budget accounts and bridging loans.

5 A White Paper on the Nationalised Industries (Cmnd 7131) was published as a response to the National Economic Development Office's 1976 report. The White Paper dealt with the control of the nationalised industries, their financial and economic objectives, and their relations with Government.

6 The new State pension scheme began. It will provide pensions for employed people based on earnings, and was laid down in the Social Security Pensions Act 1975.

7 The Prime Minister attended the European Council meeting (heads of Government of the EEC countries) in Copenhagen.

10 The Bonn summit meetings of the seven major industrialised non-Communist nations will be held on 16 and 17 July.

11 The Budget – The Chancellor of the Exchequer announced a stimulus to the economy of about £2,500 million in a full year, almost entirely in the form of cuts in personal taxation. Pension uprating, increased child benefits and additional public spending allocations in priority areas were announced as part of the Budget, within the planned expenditure total for 1978/79.

President Carter introduced new measures to reduce the rate of inflation in the United States, including a freeze on the pay of senior Federal officials and a 5·5 per cent limit on increases for other Federal employees.

14 The trade figures showed a current account deficit of £164 million in March, but the retail prices index showed that the 12-month increase in the rate of inflation had fallen to 9·1 per cent to mid-March.

17 The Government had a majority of 37 in favour of the Budget measures at the end of the four-day debate. The Chancellor said during the debate that he might consider some further stimulus to the economy later in the year, if the economy performed satisfactorily, and if the Bonn summit reached agreement on international action.

Selected monthly indicators[1]

		Seasonally adjusted						Unadjusted		Seasonally adjusted			
		1971 =100	Thousands	1970 =100	Thousands		Jan. 1970 =100	1970 =100	Jan. 1974 =100	£ million			
		Volume of retail sales (GB)[2,3] §	New registrations of cars (GB) §	Index of industrial production[4] §	Unemployment[5] §	Vacancies[6] §	Average earnings (all employees) (GB) §	Wholesale prices of materials and fuel[7]	General index of retail prices (all items)	Balance of payments current account: Exports (f.o.b.) §	Balance of payments current account: Imports (f.o.b.) §	Balance of payments current account: Current balance	Money stock sterling M_3
1976	A	108·0	116·4	101·1	1,241·8	122·5	255·0	286·3	153·5	1,975	2,231		37,200
	M	106·1	109·7	102·7	1,253·3	120·0	259·6	292·0	155·2	2,067	2,393	−345	37,440
	J	106·5	91·0	100·8	1,261·1	115·7	261·2	299·6	156·0	2,129	2,456		37,770
	J	107·7	90·6	100·9	1,288·9	118·6	263·1	302·0	156·3	2,063	2,534		38,330
	A	107·4	115·0	100·3	1,308·8	126·2	267·2	304·0	158·5	2,204	2,470	−377	38,920
	S	106·8	86·5	101·5	1,318·7	125·9	266·1	314·4	160·6	2,232	2,592		39,440
	O	105·9	107·0	102·5	1,307·9	124·5	269·0	327·7	163·5	2,335	2,626		39,900
	N	106·6	120·5†	102·9†	.. [8]	.. [8]	272·2	331·8	165·8	2,314	2,757	−338	40,320
	D	105·2	109·9	103·1	1,325·7[9]	.. [8]	277·1	330·2	168·0	2,448	2,675		40,170
1977	J	104·5	94·7	103·2	1,329·9†	.. [8]	278·1	337·8	172·4	2,481†	3,991†		39,640
	F	104·0	112·7	103·2	1,330·0	148·8†	278·7	339·5	174·1	2,479	2,663	−505	39,220
	M	101·7	103·8	103·1	1,328·5	154·0	283·9	347·2	175·8	2,542	2,795		39,260
	A	102·3	106·0	102·2	1,333·8	155·5	283·1	349·7	180·3	2,591	2,759		40,140
	M	103·2	107·8	103·3	1,323·8	159·4	286·2	348·3	181·7	2,590	2,869	−364	40,380
	J	102·1	95·3	100·3	1,364·3	158·1	286·2	345·2	183·6	2,749	3,066		40,680
	J	104·8	112·6	102·8	1,398·5	155·2	286·5	344·5	183·8	2,793	2,955		41,190
	A	104·7	116·4	102·7	1 410·3	153·4	288·7	338·8	184·7	2,851	2,690	+483	41,250
	S	103·5	107·1	102·6	1,434·9	147·2	290·1	338·1	185·7	2,896	2,841		42,120
	O	102·7	116·1	101·7	1,431·5	156·0	294·6	333·8	186·5	2,756	2,703		42,840
	N	103·1	108·3	101·6	1,428·6	159·4	300·1	329·9	187·4	2,665	2,600	+351	43,130
	D	106·9	104·2	102·5	1,422·3	165·0	306·6	328·0	188·4	2,780	2,856		43,530
1978	J	104·9	124·8	103·0	1,419·2	180·3	306·0	324·9	189·5	2,625	2,959		44,470
	F	106·8	119·8	103·8	1,409·0	187·0		324·1†	190·6	2,999†	2,919		44,980
	M				1,400·0	195·8		330·7	191·8	2,830	3,094		45,200
		Percentage change, latest three months on previous three months											
1977	A	−2·7†	− 0·7	−0·2†	..	..	+ 2·2	+ 3·7	+ 4·7	+ 5·1	− 2·4	..	− 1·3
	M	−2·2	+ 0·1	−0·3	− 0·2	..	+ 2·3	+ 3·7	+ 4·5	+ 4·3	+ 1·1	..	+ 0·6
	J	−0·8	− 0·7	−1·2	+ 0·6	..	+ 1·8	+ 1·8	+ 4·5	+ 5·7	+ 2·9	..	+ 2·6
	J	+0·7	− 2·1	−0·7	+ 2·4	..	+ 1·6	+ 0·2	+ 3·6	+ 6·8	+ 8·2	..	+ 3·0
	A	+1·4	+ 2·1	−0·9	+ 4·5	−0·5	+ 1·0	− 1·6	+ 2·8	+ 8·7	+ 3·4	..	+ 2·8
	S	+1·8	+ 8·7	+0·7	+ 6·3	−3·6	+ 1·1	− 2·4	+ 1·6	+ 7·7	− 2·4	..	+ 2·8
	O	+0·3	+ 7·6	+0·2	+ 4·7	−3·4	+ 1·7	− 2·6	+ 1·4	+ 4·6	− 6·1	..	+ 3·2
	N	−0·6	+ 2·2	—	+ 2·9	−0·9	+ 2·7	− 2·6	+ 1·4	− 0·9	− 6·5	..	+ 4·0
	D	+0·1	− 2·2	−0·7	+ 0·9	+5·4	+ 4·0	− 2·9	+ 1·5	− 4·0	− 3·9	..	+ 4·0
1978	J	+1·4	− 0·7	—	− 0·1	+10·6	+ 4·5	− 2·8	+ 1·5	− 5·4	+ 0·8	..	+ 3·9
	F	+3·1	+ 5·2	+1·1	− 1·1	+15·1		− 2·5	+ 1·6	+ 1·1	+ 7·2	..	+ 3·8
	M				− 1·3	+17·2		− 1·2	+ 1·7	+ 3·1	+10·0	..	+ 4·0
		Percentage change, latest three months on corresponding period of previous year											
1977	A	−3·1	+ 1·0	+2·1	+ 7·9	+27·3	+11·4	+25·7	+16·8	+31·2	+28·7	..	+ 7·4
	M	−3·6	− 3·2	+1·4	+ 7·0	+28·7	+11·0	+22·6	+17·1	+28·4	+25·8	..	+ 7·5
	J	−4·1	− 2·5	+0·4	+ 7·1	+32·0	+10·3	+18·8	+17·4	+28·5	+22·8	..	+ 7·8
	J	−3·2	+ 8·4	+0·7	+ 7·4	+33·4	+ 9·6	+16·2	+17·5	+29·9	+20·5	..	+ 7·1
	A	−3·2	+ 9·3	+1·3	+ 8·1	+29·5	+ 8·8	+13·6	+17·3	+31·2	+16·9	..	+ 7·0
	S	−2·8	+15·1	+1·8	+ 8·4	+23·0	+ 8·7	+11·0	+16·6	+31·4	+11·9	..	+ 6·6
	O	−2·9	+10·1	+0·9	+ 8·7	+21·2	+ 8·9	+ 6·9	+15·3	+25·6	+ 8·6	..	+ 6·7
	N	−3·2	+ 5·8	−0·3†	..	..	+ 9·6	+ 2·9	+14·2	+20·9	+ 2·1	..	+ 5·9
	D	−1·4	− 2·4	−0·9	..	..	+10·0	+ 0·2	+13·1	+15·6	+ 1·3	..	+ 7·6
1978	J	−0·3	+ 3·9	−0·7	..	..	+10·3	− 1·7	+11·7	+11·4	− 0·1	..	+ 9·1
	F	+1·6	+ 9·9	−0·1	+ 6·4	..		− 3·0	+10·5	+13·4	+ 4·9	..	+11·7
	M				+ 5·8	..		− 4·4	+ 9·5	+12·7	+ 6·2		+14·0

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] See footnote [2] on page 12. [4] All industries covered. [5] Unemployed excluding school-leavers.
[6] Vacancies notified to employment offices. [7] Purchased by manufacturing industry.
[8] Figure not available due to industrial action.
[9] Owing to industrial action by some Department of Employment staff the provisional estimate is based on returns or estimates received from only just over half the country. [10] Provisional.

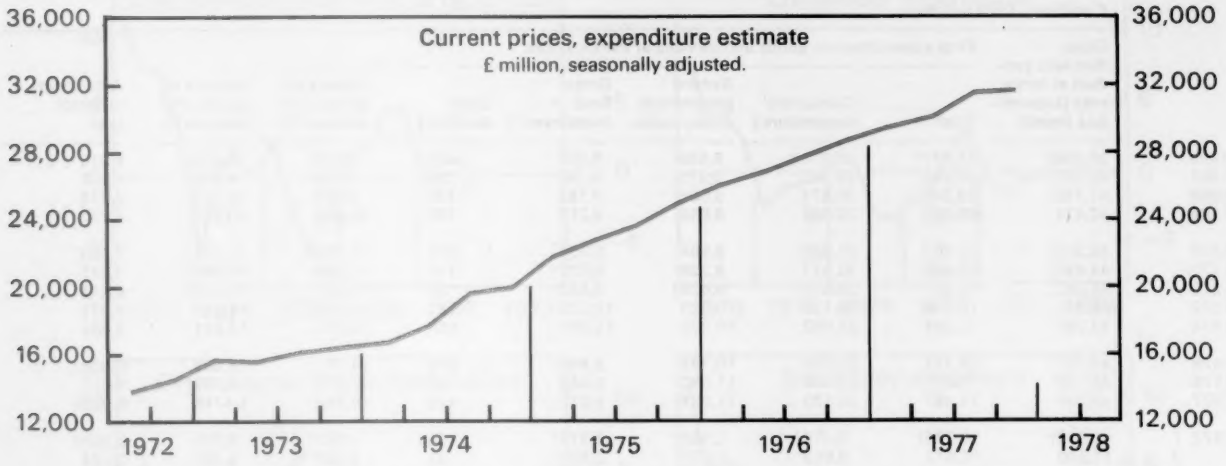
Tables and charts

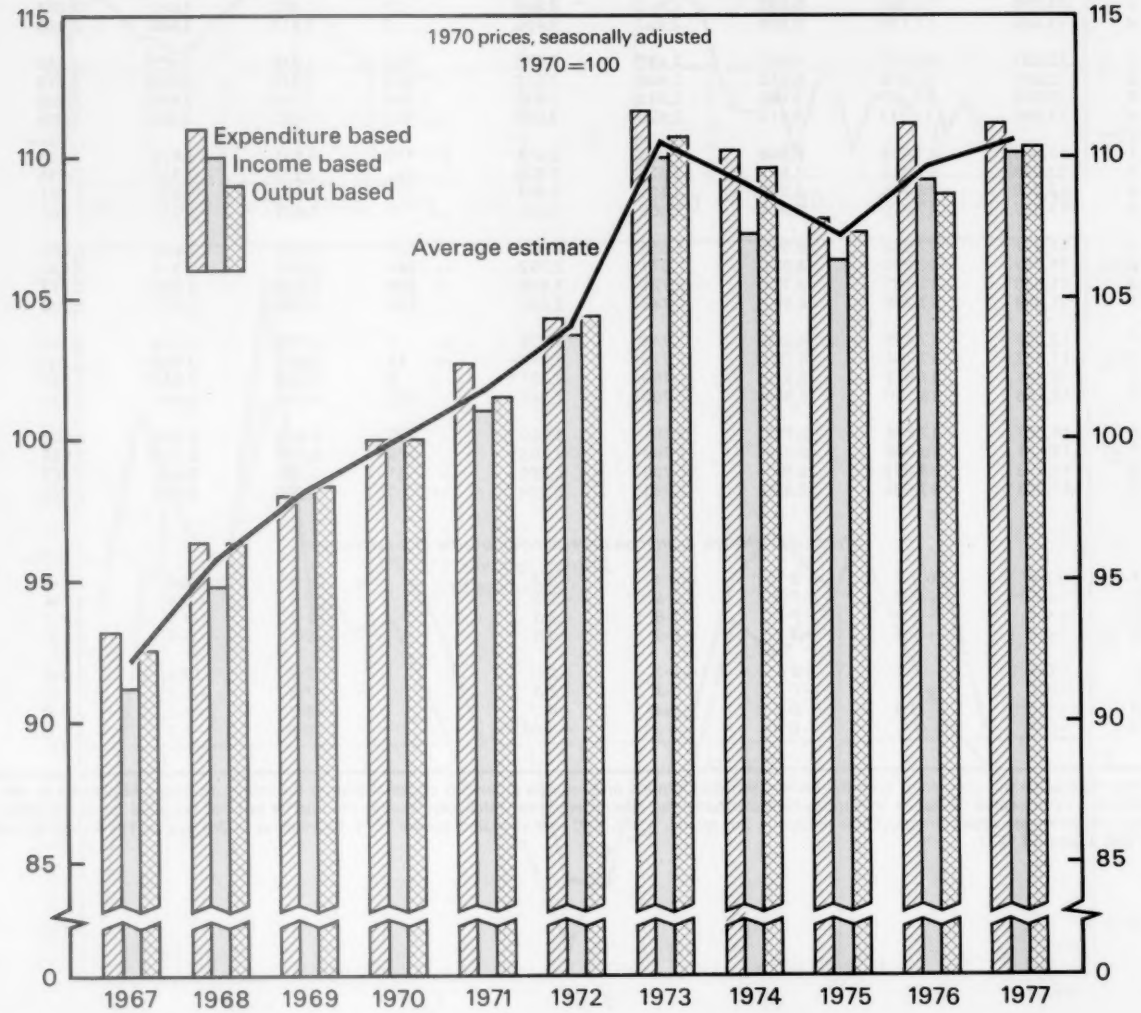
Gross domestic product at factor cost, total home costs and national disposable income revalued at 1970 market prices[1, 2]

Seasonally adjusted

	Gross domestic product at factor cost									Implied Index of total home costs	National disposable income
	At current prices				At 1970 factor cost						At 1970 market prices
	£ million		1970 =100		£ million	1970 =100				1970 =100	1970 =100
	Based on:		Based on:		Based on:	Based on:				Based on:	
	expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	expenditure data	Average estimate
1967	34,941†	34,518†	80·6†	78·9†	40,332†	93·1†	91·1	92·5†	92·2	86·6†	91·9
1968	37,416	37,177	86·4	85·0	41,746	96·4	94·8	96·4	95·9	89·6	94·8
1969	39,402	39,843	90·9	91·1	42,471	98·0	98·1	98·3	98·2	92·8	97·4
1970	43,327	43,756	100·0	100·0	43,327	100·0	100·0	100·0	100·0	100·0	100·0
1971	49,201	48,885	113·6	111·7	44,490	102·7	101·0	101·5	101·7	110·6	102·2
1972	54,986	55,343	126·9	126·5	45,062	104·0	103·7	104·4	104·0	122·0	105·0
1973	63,581	63,271	146·7	144·6	48,354	111·6	110·0	110·7	110·8	131·5	110·1
1974	73,656	72,463	170·0	165·6	4,7732	110·2	107·3	109·6	109·0	154·3	104·4
1975	92,929	92,569	214·5	211·6	46,727	107·9	106·4	107·4	107·2	198·9	104·4
1976	109,065	108,097	251·7	247·0	48,196	111·2	109·2	108·7	109·7	226·3	106·7
1977	122,453	122,525	282·6	280·0	48,194	111·2	110·2	110·4	110·6	254·1	107·7
1973 1	15,721†	15,199†	145·1†	138·9†	12,331†	113·9†	109·0†	110·6†	111·2†	127·5†	110·8
2	15,474	15,624	142·9	142·8	12,099	111·7	111·7	110·2	111·2	127·9	
3	16,047	16,065	148·2	146·9	12,038	111·1	110·2	111·2	110·8	133·3	109·4
4	16,339	16,383	150·8	149·8	11,886	109·7	109·0	111·0	109·9	137·5	
1974 1	16,569	15,760	153·0	144·1	11,569	106·8	100·7	107·5	105·0	143·2	103·0
2	17,541	17,189	161·9	157·1	12,078	111·5	108·4	110·4	110·1	145·2	
3	19,579	19,281	180·8	176·3	12,248	113·1	110·4	111·3	111·6	159·9	105·9
4	19,967	20,233	184·3	184·9	11,837	109·3	109·8	109·3	109·5	168·7	
1975 1	21,706	21,374	200·4	195·4	11,871	109·6	106·9	109·2	108·6	182·8	104·6
2	22,701	22,547	209·6	206·1	11,737	108·4	106·6	107·3	107·4	193·4	
3	23,624	23,700	218·1	216·7	11,520	106·3	105·7	106·4	106·2	205·1	104·2
4	24,898	24,948	229·8	228·0	11,599	107·1	106·3	106·8	106·7	214·7	
1976 1	25,903	25,346	239·1	231·7	12,033	111·1	107·7	108·1	109·0	215·3	106·2
2	26,691	26,532	246·4	242·5	11,972	110·5	108·8	108·4	109·2	222·9	
3	27,762	27,575	256·3	252·1	12,026	111·1	109·2	108·3	109·5	230·9	107·2
4	28,709	28,644	265·1	261·9	12,165	112·3	111·0	110·2	111·2	236·0	
1977 1	29,451	29,216	271·9	267·1	11,987	110·7	108·7	110·6	110·0	245·7	106·5
2	30,068	30,070	277·6	274·9	12,121	111·9	110·8	109·5	110·7	248·1	
3	31,419	31,219	290·1	285·4	12,123	111·9	110·2	110·6	110·9	259·2	109·0
4	31,515	32,020	290·9	292·7	11,963	110·4	111·1	110·8	110·8	263·4	
	Percentage change, period on corresponding period of previous year										
1976 1	*+19·3*	*+18·6*	*+19·3*	*+18·6*	*+1·4*	*+1·4*	*+0·7*	*−1·0*	*+0·4*	*+17·8*	*+1·5*
2	*+17·6*	*+17·7*	*+17·6*	*+17·7*	*+2·0*	*+2·0*	*+2·1*	*+1·0*	*+1·7*	*+15·3*	
3	*+17·5*	*+16·4*	*+17·5*	*+16·4*	*+4·4*	*+4·4*	*+3·3*	*+1·8*	*+3·1*	*+12·6*	*+2·9*
4	*+15·3*	*+14·8*	*+15·3*	*+14·8*	*+4·9*	*+4·9*	*+4·4*	*+3·2*	*+4·2*	*+ 9·9*	
1977 1	*+13·7*	*+15·3*	*+13·7*	*+15·3*	*−0·4*	*−0·4*	*+0·9*	*+2·3*	*+0·9*	*+14·1*	*+0·2*
2	*+12·7*	*+13·3*	*+12·7*	*+13·3*	*+1·2*	*+1·2*	*+1·8*	*+1·0*	*+1·4*	*+11·3*	
3	*+13·2*	*+13·2*	*+13·2*	*+13·2*	*+0·8*	*+0·8*	*+0·9*	*+2·1*	*+1·3*	*+12·3*	*+1·7*
4	*+ 9·8*	*+11·8*	*+ 9·8*	*+11·8*	*−1·7*	*−1·7*	*+0·1*	*+0·5*	*−0·4*	*+11·6*	

[1] The index numbers are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Introduced in an article on page xxviii *Economic Trends* January 1975.
[3] Income data deflated by the implied index of total home costs.


Current prices, expenditure estimate
£ million, seasonally adjusted.
36,000
32,000
28,000
24,000
20,000
16,000
12,000
1972
1973
1974
1975
1976
1977
1978


1970 prices, seasonally adjusted
1970=100
Expenditure based
Income based
Output based
Average estimate
115
110
105
100
95
90
85
0
1967
1968
1969
1970
1971
1972
1973
1974
1975
1976
1977

8

Expenditure on the gross domestic product

Seasonally adjusted

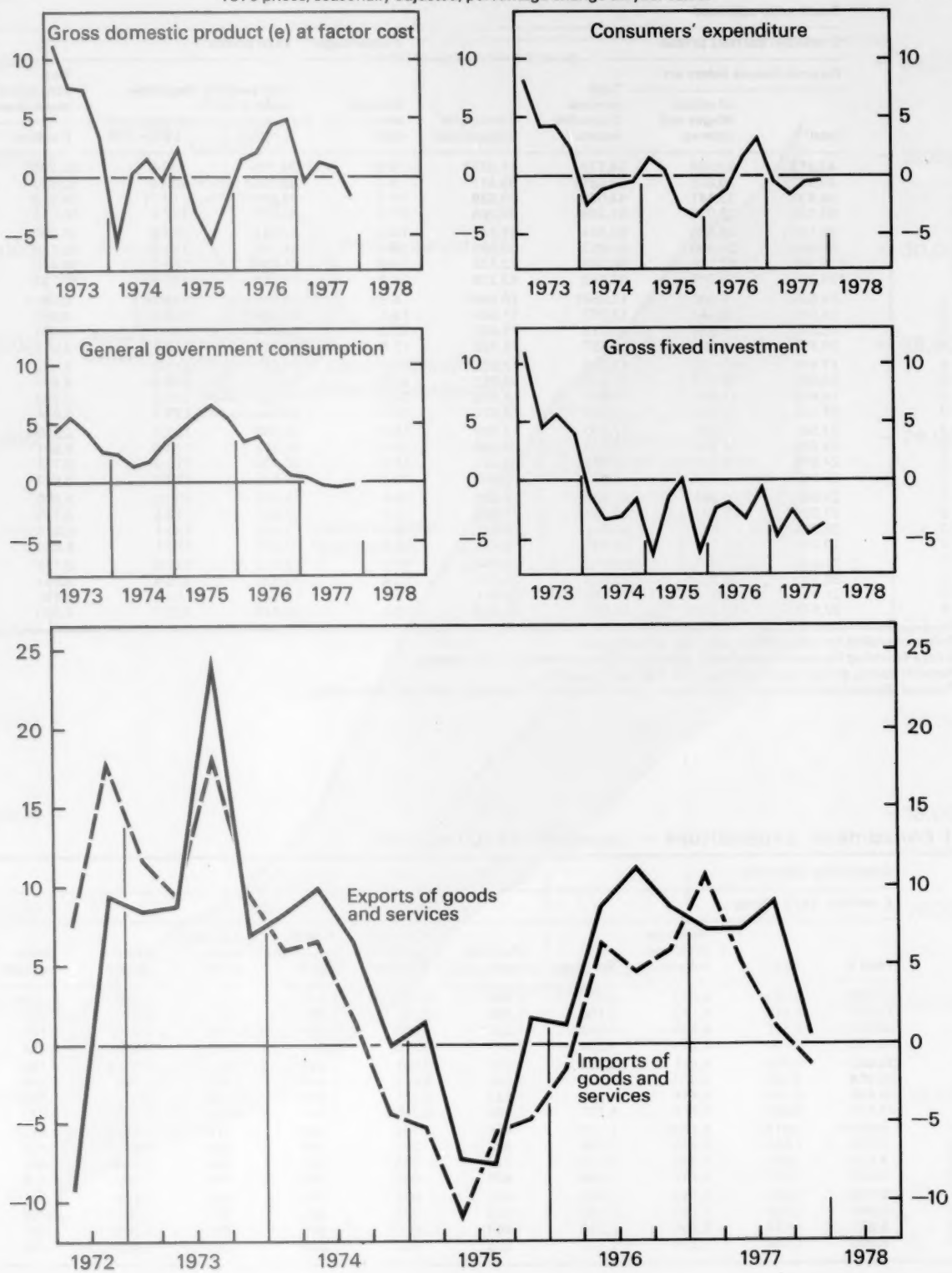
£ million, 1970 prices

	Gross domestic product at factor cost (expenditure based)	Final expenditure on goods and services at market prices							
		Total	Consumers' expenditure§	General government consumption	Gross fixed investment[2]§	Stock building§	Exports of goods and services[1]§	Imports of goods and services[2]§	Adjustment to factor cost
1966	39,256†	55,047†	29,316†	8,489	8,097	420†	8,725	8,873	6,918
1967	40,332	56,949	29,942	8,973	8,780	390	8,864	9,502	7,115
1968	41,746	59,240	30,674	9,004	9,182	482	9,898	10,216	7,278
1969	42,471	60,282	30,888	8,836	9,216	480	10,862	10,559	7,252
1970	43,327	61,967	31,668	8,964	9,453	416	11,466†	11,101	7,539
1971	44,490	63,966	32,677	9,228	9,625†	112	12,324	11,659	7,817
1972	45,062	66,317	34,519	9,626†	9,636	35	12,501	12,839	8,416
1973	48,354	71,718	36,132	10,020	10,233	1,365	13,968	14,393	8,971
1974	47,732	71,294	35,682	10,233	10,001	561	14,817	14,681	8,881
1975	46,727	69,222	35,269	10,794	9,640	— 842	14,361	13,689	8,806
1976	48,196	71,415	35,406	11,050	9,444	97	15,418	14,207†	9,012
1977	48,194	71,997	35,133	11,027	9,072	423	16,342	1,4748	9,055†
1972 *1*	11,092†	16,224†	8,410†	2,386†	2,376†	— 30†	3,082†	3,079	2,053†
2	11,240	16,573	8,613	2,371	2,409	33	3,147	3,209	2,124
3	11,230	16,386	8,692	2,412	2,396	24	2,862	3,082	2,074
4	11,500	17,134	8,804	2,457	2,455	8	3,410	3,469	2,165
1973 *1*	12,331	18,015	9,091	2,489	2,635	462	3,338	3,439	2,245
2	12,099	17,819	8,965	2,498	2,512	424	3,420	3,502	2,218
3	12,038	17,937	9,061	2,513	2,533	262	3,568	3,649	2,250
4	11,886	17,947	9,015	2,520	2,553	217	3,642	3,803	2,258
1974 *1*	11,569	17,458	8,848	2,544	2,604	— 149	3,611	3,623	2,266
2	12,078	17,942	8,867	2,529	2,428	341	3,777	3,730	2,134
3	12,248	18,165	8,993	2,555	2,454	371	3,792	3,696	2,221
4	11,837	17,729	8,974	2,605	2,515	— 2	3,637	3,632	2,260
1975 *1*	11,871	17,552	8,995	2,656	2,433	— 197	3,665	3,428	2,253
2	11,737	17,224	8,901	2,671	2,392	— 241	3,501	3,314	2,173
3	11,520	17,187	8,731	2,721	2,459[2]	— 224	3,500	3,490[2]	2,177
4	11,599	17,259	8,642	2,746	2,356	— 180	3,695	3,457	2,203
1976 *1*	12,033	17,639	8,806	2,746	2,378	— 1	3,710	3,370	2,236
2	11,972	17,704	8,793	2,775	2,346[2]	— 12	3,802	3,528[2]	2,204
3	12,026	17,922	8,879	2,769	2,377[2]	5	3,892	3,648[2]	2,248
4	12,165	18,150	8,928	2,760	2,343	105	4,014	3,661	2,324
1977 *1*	11,987	17,979	8,758	2,751	2,260	233	3,977	3,738	2,254
2	12,121	18,006	8,644	2,766	2,293[2]	228	4,075	3,709[2]	2,176
3	12,123	18,076	8,831	2,759	2,265	— 31	4,252	3,686	2,267
4	11,963	17,936	8,900	2,751	2,254	— 7	4,038	3,615	2,358
		Percentage change, quarter on corresponding quarter of previous year							
1976 *1*	*+1·4*	*+0·5*	*−2·1*	*+3·4*	*−2·3*	..	*+1·2*	*−1·7*	*−0·8*
2	*+2·0*	*+2·8*	*−1·2*	*+3·9*	*−1·9*	..	*+8·6*	*+6·5*	*+1·4*
3	*+4·4*	*+4·3*	*+1·7*	*+1·8*	*−3·3*	..	*+11·2*	*+4·5*	*+3·3*
4	*+4·9*	*+5·2*	*+3·3*	*+0·5*	*−0·6*	..	*+8·6*	*+5·9*	*+5·5*
1977 *1*	*−0·4*	*+1·9*	*−0·5*	*+0·2*	*−5·0*	..	*+7·2*	*+10·9*	*+0·8*
2	*+1·2*	*+1·7*	*−1·7*	*−0·3*	*−2·3*	..	*+7·2*	*+5·1*	*−1·3*
3	*+0·8*	*+0·9*	*−0·5*	*−0·4*	*−4·7*	..	*+9·2*	*+1·0*	*+0·8*
4	*−1·7*	*−1·2*	*−0·3*	*−0·3*	*−3·8*	..	*+0·6*	*−1·3*	*+1·5*

[1] These figures are not consistent with the revised series of exports and imports at current prices shown in the tables on pages 46 and 82 to 88.

[2] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter 1976 and £90 million in 2nd quarter of 1977.

1970 prices, seasonally adjusted, percentage change on year earlier



10

Personal disposable income and consumption

Seasonally adjusted

	£ million, current prices				Percentage	1970 prices		
	Personal income before tax							
	Total[1]	*of which:* Wages and salaries	Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3]	Real personal disposable income[4] £ million §	1970=100	Real consumers' expenditure § £ million
1970	43,313	26,984	34,775	31,668†	8·9†	34,775	100·0	31,668†
1971	47,953†	29,673	38,681†	35,411	8·4	35,695†	102·6	32,677
1972	54,532	33,141	44,550	39,929	10·4	38,514	110·7†	34,519
1973	63,092	38,024	51,283	45,204	11·9	40,991	117·9	36,132
1974	76,120	45,856	60,604	51,962	14·3	41,616	119·7	35,682
1975	96,884	59,300	74,852	63,303	15·4	41,703	119·9	35,269
1976	112,386	67,185	86,288	73,424	14·9	41,609	119·6	35,406
1977	125,205	73,765	97,348	83,239	14·5	41,088	118·1	35,133
1973 *1*	14,885†	8,950†	12,056†	10,994†	8·8†	9,972†	114·7†	9,091†
2	15,680	9,447	12,757	11,044	13·4	10,359	119·1	8,965
3	15,975	9,688	13,013	11,433	12·2	10,317	118·7	9,061
4	16,552	9,939	13,457	11,733	12·8	10,343	119·0	9,015
1974 *1*	17,194	10,182	13,853	12,025	13·2	10,200	117·3	8,848
2	18,082	10,913	14,483	12,652	12·6	10,158	116·9	8,867
3	19,692	11,861	15,627	13,368	14·5	10,520	121·0	8,993
4	21,152	12,900	16,641	13,917	16·4	10,738	123·5	8,974
1975 *1*	22,541	13,981	17,497	14,709	15·9	10,700	123·1	8,995
2	23,666	14,426	18,328	15,698	14·4	10,393	119·5	8,901
3	24,912	15,237	19,225	16,241	15·5	10,335	118·9	8,731
4	25,765	15,656	19,802	16,655	15·9	10,275	118·2	8,642
1976 *1*	26,968	16,085	20,762	17,478	15·8	10,458	120·3	8,806
2	27,588	16,533	20,980	17,906	14·7	10,300	118·5	8,793
3	28,376	17,053	22,052	18,646	15·4	10,498	120·7	8,879
4	29,454	17,514	22,494	19,394	13·8	10,353	119·1	8,928
1977 *1*	30,444	17,934	23,418	19,890	15·1	10,312	118·6	8,758
2	30,665	18,113	23,596	20,325	13·9	10,035	115·4	8,644
3	31,417	18,512	24,440	21,314	12·8	10,126	116·5	8,831
4	32,679	19,206	25,894	21,710	16·1	10,615	122·1	8,900

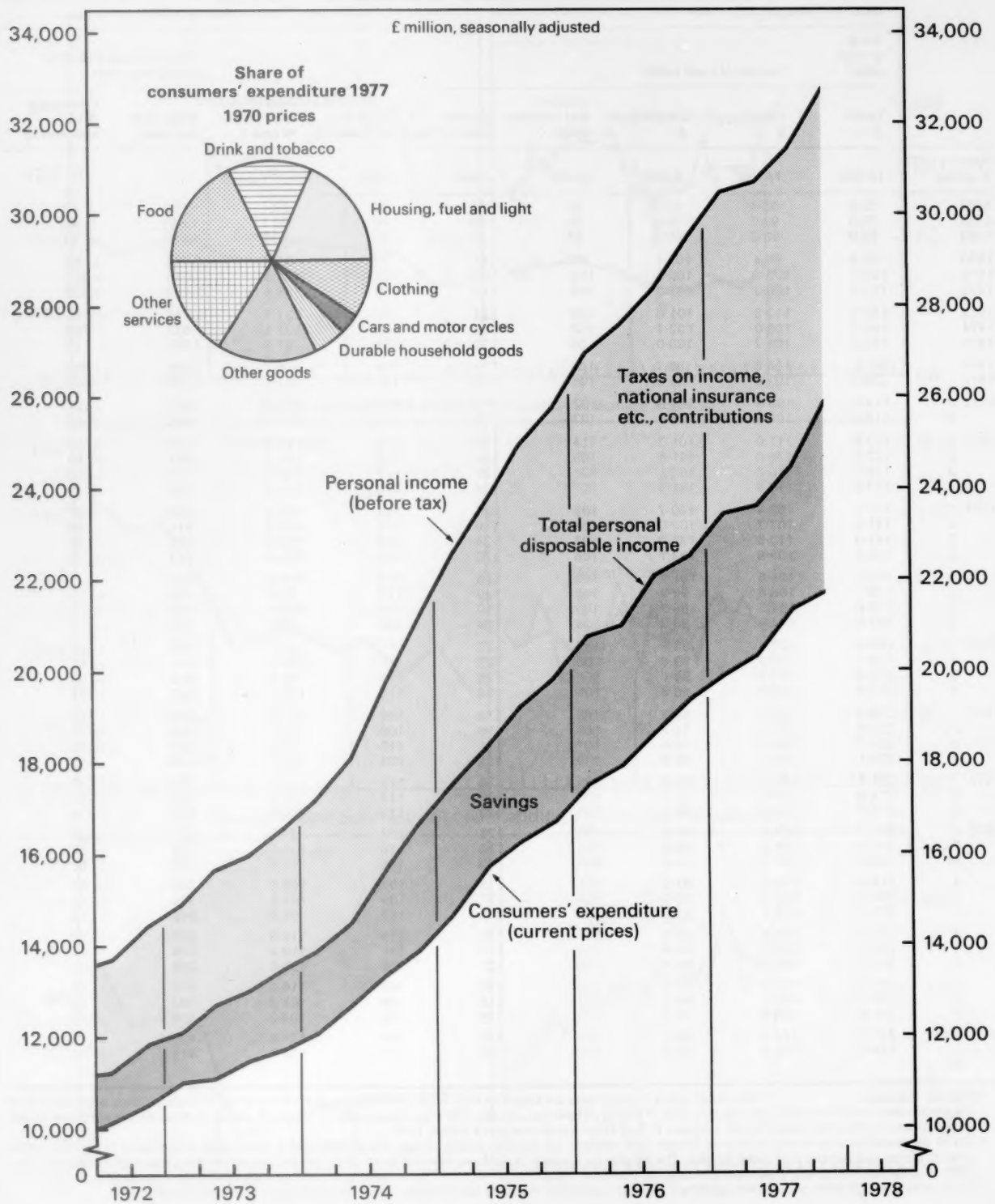
[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1970=100).

Real consumers' expenditure — component categories

Seasonally adjusted

£ million, 1970 prices

	Total §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1970	31,668†	6,383†	4,019	4,061	1,495	2,753	1,411	997	4,806	5,743†
1971	32,677	6,414	4,112	4,166	1,480	2,800	1,537	1,329	4,966	5,873
1972	34,519	6,362	4,389	4,233†	1,535†	2,965	1,854	1,588	5,443	6,150
1973	36,132	6,460	4,854†	4,394	1,574	3,114	2,074	1,515	5,865	6,282
1974	35,682	6,419	4,911	4,504	1,616	3,087	1,967	1,059†	5,935†	6,184
1975	35,269	6,424	4,808	4,577	1,596	3,143	1,910	1,057	5,756	5,998
1976	35,406	6,478	4,844	4,686	1,592	3,184	1,988†	1,168	5,782	5,684
1977	35,133	6,399	4,719	4,786	1,636	3,260†	1,957	1,148	5,581	5,647
1976 *1*	8,806†	1,618†	1,164†	1,156†	421	778	487†	315†	1,445†	1,422†
2	8,793	1,615	1,208	1,168	383	795	492	269	1,441	1,422
3	8,879	1,634	1,240	1,178	379	805	503	274	1,444	1,422
4	8,928	1,611	1,232	1,184	409	806	506	310	1,452	1,418
1977 *1*	8,758	1,594	1,153	1,183	411	806	478	313	1,429	1,391
2	8,644	1,608	1,160	1,193	426	786	471	254	1,351	1,395
3	8,831	1,553	1,206	1,200	403	835	504	301	1,398	1,431
4	8,900	1,644	1,200	1,210	396	833	504	280	1,403	1,430


£ million, seasonally adjusted
34,000
32,000
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
0
1972
1973
1974
1975
1976
1977
1978
Share of consumers' expenditure 1977 1970 prices
Drink and tobacco
Food
Housing, fuel and light
Clothing
Other services
Cars and motor cycles
Durable household goods
Other goods
Taxes on income, national insurance etc., contributions
Personal income (before tax)
Total personal disposable income
Savings
Consumers' expenditure (current prices)

12

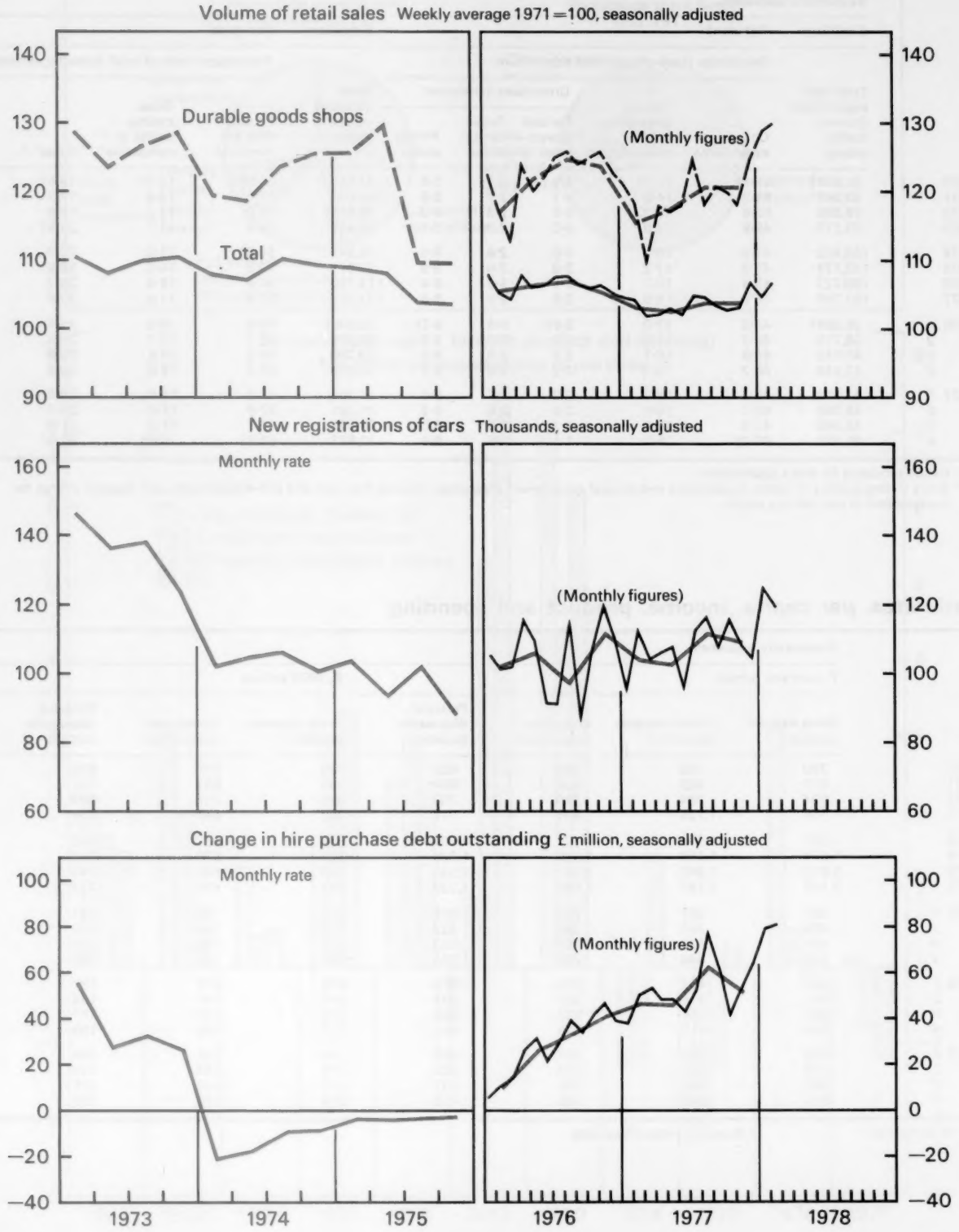
Retail sales, new registrations of cars and hire purchase debt (Great Britain)

	Seasonally adjusted								
	Weekly average 1971=100						Thousands[1]	£ million	
	Value of retail sales[2]	Volume of retail sales[2]						Hire purchase and other instalment credit[3]	
	Total[4] §	Total[4] §	Food shops[4] §	Clothing and footwear shops §	Durable goods shops §	Other non-food shops §	New registrations of cars §	New credit extended	Changes in debt outstanding
Sales in 1971 £ million	*16,296*	*16,296*	*6,866*	*2,436*	*1,897*	*5,097*			
1967	73·8	92·7	97·4	89	84	92	93·1	1,556	− 40
1968	79·3	95·7	98·9	93	89	95	93·1	1,643	+ 46
1969	84·0	96·2	100·5	93	87	95	82·3	1,587	− 20
1970	91·0	98·4	101·1	97	91	98	91·4	1,775	+ 84
1971	100·0	100·0	100·0	100	100	100	103·5	2,036	+251
1972	112·0	105·3	101·6	104	113	108	138·6	2,466	+438
1973	126·9	110·3	101·6	108	127	117	137·1	2,846	+444
1974	146·7	109·0	102·4	106	122	115	102·8†	2,503	−164
1975	174·4	106·7	100·0	106	119	111	97·2	2,981	− 13
1976	200·1	106·5	98·7	106	122	111	104·7	3,586	+343
1977	228·0	103·6	94·8	105	119	109	107·1	4,392	+625
1972 *3*	114·5	106·9	101·8	107	116	110	135·2†	635	+121
4	118·3	108·2	103·1	107	118	112	147·0	662	+119
1973 *1*	122·9	111·0	101·2	114	129	116	147·3	739	+169
2	122·8	108·8	101·6	105	124	114	137·7	681	+ 89
3	128·2	110·3	102·1	106	127	117	138·8	718	+102
4	133·9	110·9	101·5	107	129	119	124·8	708	+ 84
1974 *1*	136·2	108·4	100·7	105	120	116	102·6	568	− 60
2	141·8	107·7	102·0	103	119	113	104·9	615	− 52
3	151·0	110·3	103·9	108	124	115	106·6	651	− 27
4	158·0	109·8	103·1	106	126	115	100·6	674	− 25
1975 *1*	165·2	109·5	101·7	109	126	114	104·2	710	− 9
2	175·0	108·5	99·9	106	130	113	93·5	753	+ 10
3	176·6	104·3	98·9	105	110	109	102·9	749	− 8
4	181·5	104·2	99·3	103	110	109	88·4	769	− 6
1976 *1*	189·6	105·9	99·5	105	117	111	102·7	833	+ 33
2	196·1	106·9	99·6	105	122	111	106·7	872	+ 80
3	203·4	107·3	99·1	106	125	112	96·8	914	+103
4	211·4	105·9	96·6	105	124	112	112·5	957	+127
1977 *1*	216·4	103·3	94·9	105	116	109	103·8	1,008	+140
2	222·0	102·5	94·7	101	118	108	103·0	1,049	+139
3	234·2	104·3	94·4	107	121	110	112·0	1,151	+189
4	239·4	104·4	95·3	109	121	109	109·5	1,184	+157
1976 *O*	208·4	105·9	96·9	105	125	112	107·0	309	+ 41
N	212·8	106·6	97·0	106	126	113	120·5	328	+ 47
D	212·7	105·2	96·2	105	123	111	109·9	330	+ 39
1977 *J*	215·7	104·5	95·2	106	121	110	94·7	321	+ 37
F	217·4	104·0	95·2	105	118	110	112·7	339	+ 50
M	216·1	101·7	94·4	103	109	108	103·8	348	+ 53
A	219·9	102·3	94·3	101	118	107	106·0	345	+ 48
M	222·9	103·2	95·0	104	117	109	107·8	358	+ 48
J	222·9	102·1	94·7	99	118	107	95·3	346	+ 43
J	231·5	104·8	94·3	107	125	110	112·6	359	+ 52
A	235·8	104·7	94·4	110	118	111	116·4	404	+ 77
S	235·0	103·5	94·4	106	121	108	107·1	388	+ 60
O	234·2	102·7	94·2	103	120	108	116·1	371	+ 41
N	236·3	103·1	93·9	107	118	108	108·3	402	+ 53
D	246·0	106·9	97·3	114	125	110	104·2	411	+ 63
1978 *J*	241·0	104·9	95·1	105	129	109	124·8	425	+ 79
F	246·5	106·8	96·8	109	130	111	119·8	419	+ 81
M									

[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1975 is exceptionally a five-week period. Further details are given in the technical note to the retail sales figures on page 716 of *Trade and Industry*, 14 March 1975.

[3] Credit extended by and repaid to finance houses and retailers, i.e. durable goods shops, department stores (including co-operatve societies), other general stores and general mail order houses. The figures for retailers have been rebased from 1971 on the results of the Census of Distribution for 1971. For further details see *Trade and Industry*, 10 February 1978.

[4] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.


Volume of retail sales Weekly average 1971 =100, seasonally adjusted
Durable goods shops
Total
(Monthly figures)
140
130
120
110
100
90
New registrations of cars Thousands, seasonally adjusted
Monthly rate
(Monthly figures)
160
140
120
100
80
60
Change in hire purchase debt outstanding £ million, seasonally adjusted
Monthly rate
(Monthly figures)
100
80
60
40
20
0
−20
−40
1973
1974
1975
1976
1977
1978

Shares of income and expenditure

Seasonally adjusted

	£ million	Per cent					£ million	Per cent		
		Percentage share of total final expenditure						Percentage share of total domestic income		
	Total final expenditure (current market prices)	Consumers' expenditure	General government final consumption	Gross fixed investment: General government	Gross fixed investment: Public corporations	Gross fixed investment: Private sector	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1,2]
1970	61,967†	51·1†	14·5†	3·9	2·7	8·6	44,882	67·8†	13·2†	19·0†
1971	69,167	51·2	14·8	3·7	2·7	8·8	49,973	67·4	13·4	19·3
1972	76,805	52·0	15·2	3·6	2·3	9·2	56,646†	67·0	13·2	19·9
1973	91,178	49·6	14·6	4·0	2·3	9·1†	66,482	65·6	13·7	20·8†
1974	109,452	47·5	15·2	4·0	2·6	8·9	78,849	66·8†	12·3	20·9
1975	132,174	47·9	17·3	3·8	3·0	8·9	97,911	70·2	10·0	19·9
1976	158,727	46·3	16·7	3·4	3·0	8·4	114,760	68·6	10·8	20·7
1977	181,786	45·8	16·0	2·6	2·6	8·6	127,125	67·9	11·4	20·8
1976 *1*	36,958†	47·3	17·0	3·8†	3·3	8·2†	26,806†	69·8	9·6	20·6
2	38,710	46·3	17·0	3·5	3·0	8·4	28,209	68·7	10·7	20·6
3	40,610	45·9	16·7	3·3	2·8	8·8	29,289	68·3	10·9	20·8
4	42,449	45·7	16·2	3·2	2·9†	8·2	30,456	67·4	12·0	20·6
1977 *1*	43,610	45·6	15·9	3·0	2·7	8·0	31,164	67·3	11·9	20·8
2	45,058	45·1	16·1	2·5	2·5	9·2	31,281	67·9	11·4	20·7
3	46,565	45·8	16·0	2·4	2·5	8·8	32,007	67·7	11·3	21·0
4	46,553	46·6†	16·0	2·5	2·5	8·9	32,673	68·7†	10·8†	20·5†

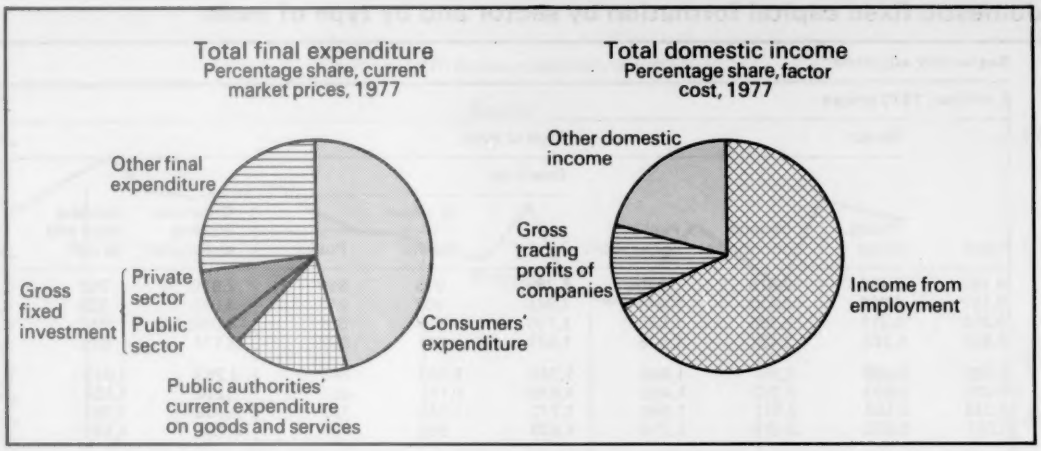
[1] Before providing for stock appreciation.
[2] Gross trading surplus of public corporations and general government enterprises, income from rent and self-employment, and imputed charge for consumption of non-trading capital.

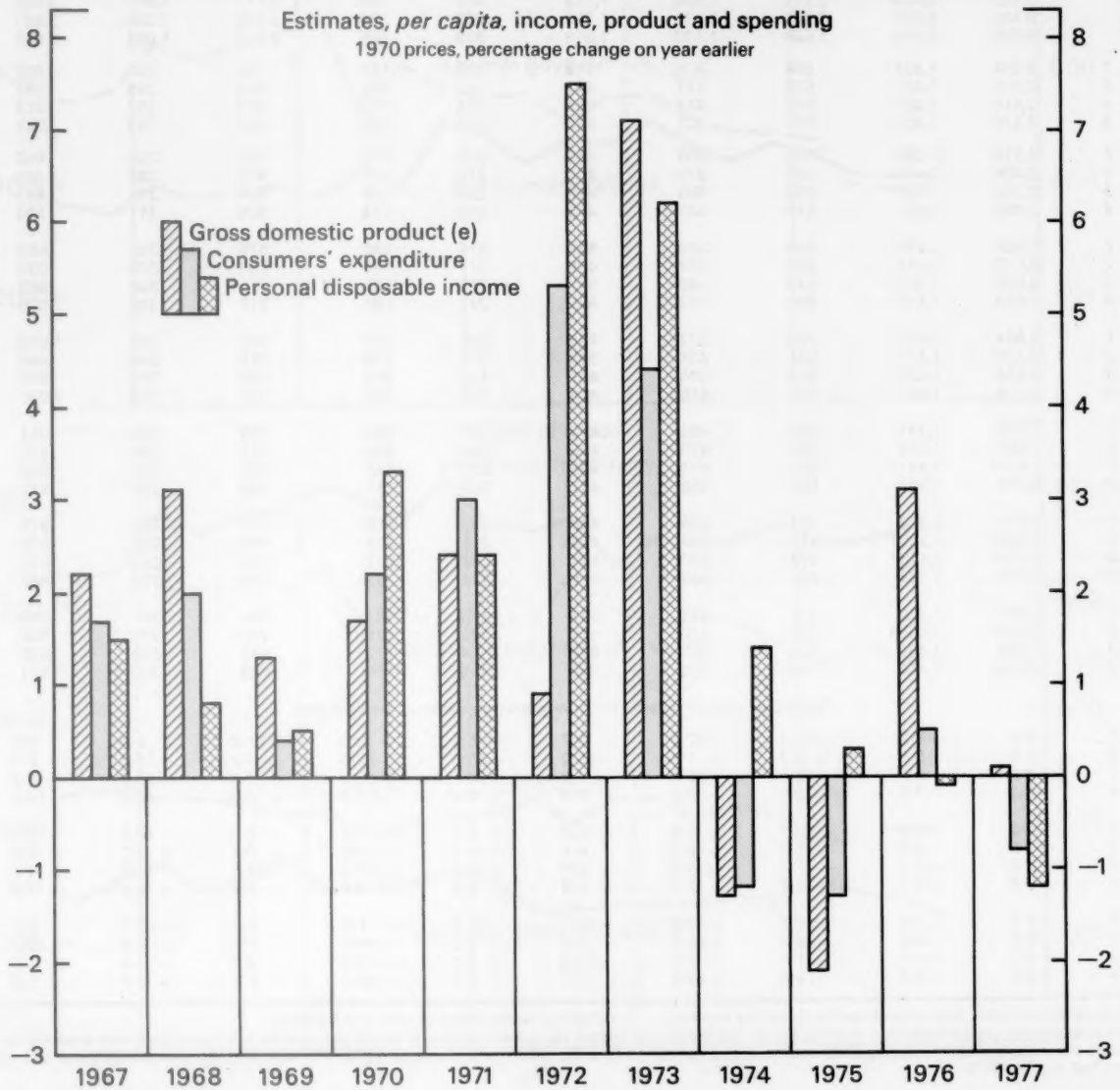
Estimates, *per capita*, income, product and spending

Seasonally adjusted

	£, current prices				£, 1970 prices		
	Gross national product[1]	Gross domestic product[1,2]	Consumers' expenditure	Personal disposable income	Gross domestic product[1,2]	Consumers' expenditure	Personal disposable income
1970	790	780	570	626	780	570	626
1971	892	883	636	694	799	587	641
1972	994	984	715	797	806	618	689
1973	1,159	1,135	807	915	863	645	732
1974	1,337	1,314	927	1,081	852	637	742
1975	1,674	1,658	1,130	1,336	834	629	744
1976	1,970	1,947	1,311	1,540	860	632	743
1977	2,192	2,187	1,487	1,739	861	627	734
1975 *1*	391	387	263	312	212	160	191
2	408	405	280	327	209	159	186
3	426	422	290	343	206	156	184
4	449	444	297	354	207	154	183
1976 *1*	467	462	312	370	215	157	187
2	482	476	320	374	214	157	184
3	502	496	333	394	214	159	187
4	519	513	346	402	217	159	185
1977 *1*	529	526	355	418	214	156	184
2	538	537	363	421	216	154	179
3	562	561	381	437	217	158	181
4	563	563	388	463	214	159	190

[1] At factor cost.
[2] Based on expenditure data.


Total final expenditure
Percentage share, current market prices, 1977
Other final expenditure
Gross fixed investment
Private sector
Public sector
Consumers' expenditure
Public authorities' current expenditure on goods and services
Total domestic income
Percentage share, factor cost, 1977
Other domestic income
Gross trading profits of companies
Income from employment


Estimates, per capita, income, product and spending
1970 prices, percentage change on year earlier
Gross domestic product (e)
Consumers' expenditure
Personal disposable income
8
7
6
5
4
3
2
1
0
−1
−2
−3
1967
1968
1969
1970
1971
1972
1973
1974
1975
1976
1977

Gross domestic fixed capital formation by sector and by type of asset

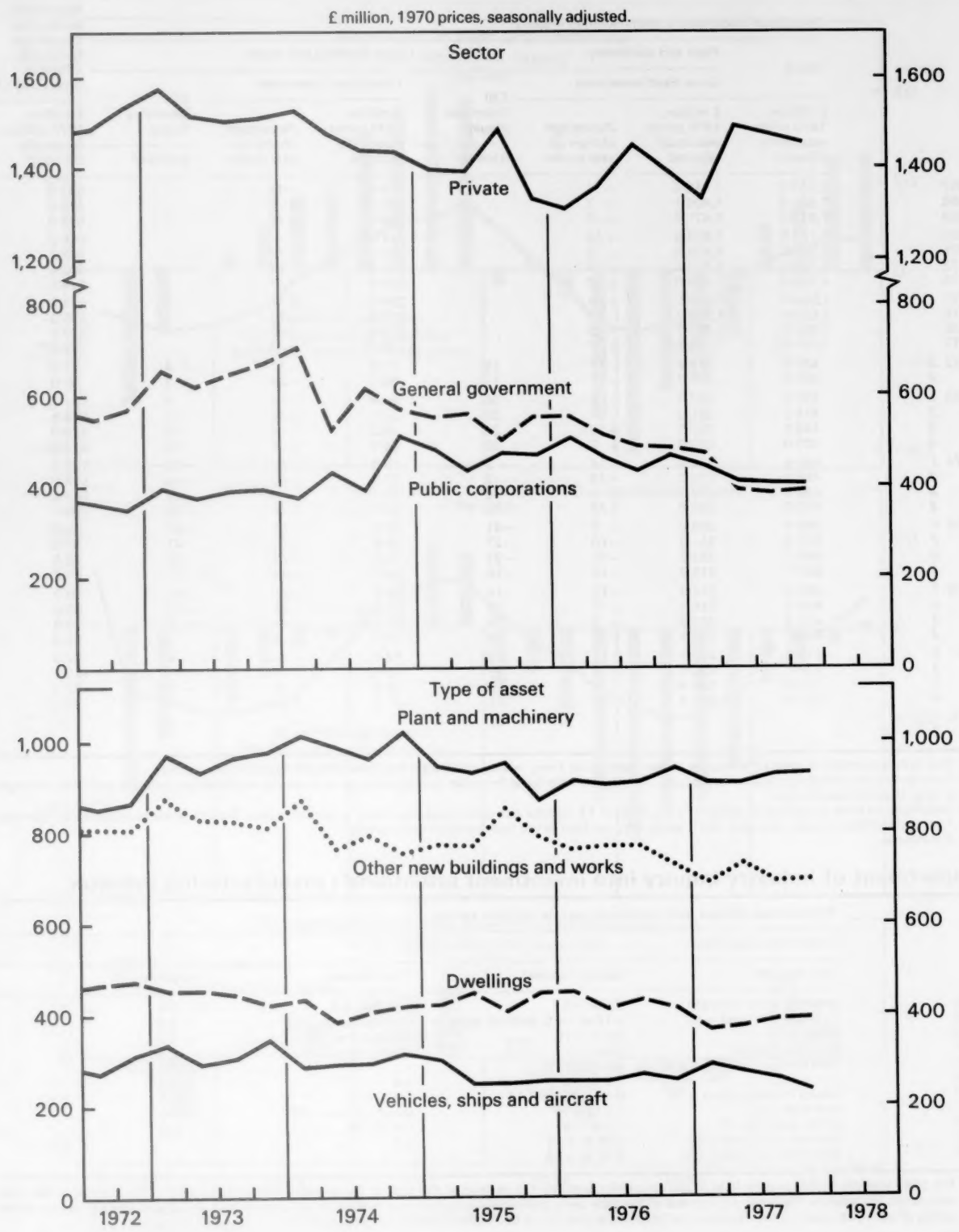
Seasonally adjusted

£ million, 1970 prices

	Sector[1]				Type of asset					
					Dwellings					
						of which:				
	Total§	Private sector	General government	Public corporations	Total	Private	Public	Other new building and works[2]	Vehicles ships and aircraft	Plant and machinery
1967	8,780	4,488	2,316	1,976	1,784	915	869	2,879	752	3,365
1968	9,182	4,906	2,432	1,844	1,868	957	911	3,020	928	3,366
1969	9,216	5,211	2,390	1,615	1,785	894	891	3,050	912	3,469
1970	9,453	5,343	2,431	1,679	1,643	841	802	3,173	979	3,658
1971	9,625	5,586	2,351	1,688	1,749	1,009	740	3,263	1,013	3,600
1972	9,636	5,897	2,253	1,486	1,838	1,151	687	3,210	1,156	3,432
1973	10,233	6,106	2,571	1,556	1,772	1,045	727	3,338	1,283	3,840
1974	10,001	5,868	2,419	1,714	1,639	855	784	3,186	1,198	3,978
1975	9,640	5,603	2,172	1,865	1,713	915	798	3,177	1,051	3,699
1976	9,444	5,515	2,053	1,876	1,712	883	829	3,026	1,039	3,667
1977	9,072	5,756	1,646	1,670	1,518	810	708	2,820	1,064	3,670
1971 *1*	2,364	1,324	604	436	419	232	187	796	252	897
2	2,418	1,422	579	417	441	248	193	813	267	897
3	2,418	1,437	567	414	439	262	177	814	252	913
4	2,425	1,403	601	421	450	267	183	840	242	893
1972 *1*	2,376	1,399	572	405	450	278	172	785	289	852
2	2,409	1,476	560	373	453	276	177	808	284	864
3	2,396	1,485	550	361	462	298	164	809	272	853
4	2,455	1,537	571	347	473	299	174	808	311	863
1973 *1*	2,635	1,578	658	399	454	274	180	876	337	968
2	2,512	1,516	620	376	456	277	179	827	295	934
3	2,533	1,502	643	388	441	253	188	823	306	963
4	2,553	1,510	650	393	421	241	180	812	345	975
1974 *1*	2,604	1,522	705	377	436	236	200	872	286	1,010
2	2,428	1,473	524	431	383	207	176	761	296	988
3	2,454	1,439	619	396	401	188	213	795	298	960
4	2,515	1,434	571	510	419	224	195	758	318	1,020
1975 *1*	2,433	1,397	554	482	420	224	196	769	300	944
2	2,392	1,393	560	439	445	239	206	767	248	932
3	2,459[3]	1,481[3]	503	475	406	227	179	853[3]	248	952
4	2,356	1,332	555	469	442	225	217	788	255	871
1976 *1*	2,378	1,313	557	508	448	230	218	761	256	913
2	2,346[3]	1,360[3]	519	467	418	211	207	768[3]	256	904
3	2,377[3]	1,448[3]	492	437	430	228	202	768[3]	269	910
4	2,343	1,394	485	464	416	214	202	729	258	940
1977 *1*	2,260	1,336	477	447	367	175	192	694	291	908
2	2,293[3]	1,490[3]	393	410	377	202	175	734[3]	276	906
3	2,265	1,472	386	407	386	214	172	694	260	925
4	2,254	1,458	390	406	388	219	169	698	237	931
	Percentage change, quarter on corresponding quarter of previous year									
1975 *1*	*−6·6*	*−8·2*	*−21·4*	*+27·9*	*− 3·7*	*− 5·1*	*− 2·0*	*−11·8*	*+ 4·9*	*− 6·5*
2	*−1·5*	*−5·4*	*+ 6·9*	*+ 1·9*	*+16·2*	*+15·5*	*+17·0*	*+ 0·8*	*−16·2*	*− 5·7*
3	*+0·2*	*+2·9*	*−18·7*	*+19·9*	*+ 1·2*	*+20·7*	*−16·0*	*+ 7·3*	*−16·8*	*− 0·8*
4	*−6·3*	*−7·1*	*− 2·8*	*− 8·0*	*+ 5·5*	*+ 0·4*	*+11·3*	*+ 4·0*	*−19·2*	*−14·2*
1976 *1*	*−2·3*	*−6·0*	*+ 0·5*	*+ 5·4*	*+ 6·7*	*+ 2·7*	*+11·2*	*− 1·0*	*−14·7*	*− 3·3*
2	*−1·9*	*−2·4*	*− 7·3*	*+ 6·4*	*− 6·1*	*−11·7*	*+ 0·5*	*+ 0·1*	*+ 3·2*	*− 3·0*
3	*−3·3*	*−2·2*	*− 2·2*	*− 8·0*	*+ 5·9*	*+ 0·4*	*+12·8*	*−10·0*	*+ 8·5*	*− 4·4*
4	*−0·6*	*+4·7*	*−12·6*	*− 1·1*	*− 5·9*	*− 4·9*	*− 6·9*	*− 7·5*	*+ 1·2*	*+ 7·9*
1977 *1*	*−5·0*	*+1·8*	*−14·4*	*−12·0*	*−18·1*	*−23·9*	*−11·9*	*− 8·8*	*+13·7*	*− 0·5*
2	*−2·3*	*+9·6*	*−24·3*	*−12·2*	*− 9·8*	*− 4·3*	*−15·5*	*− 4·4*	*+ 7·8*	*+ 0·2*
3	*−4·7*	*+1·7*	*−21·5*	*− 6·9*	*−10·2*	*− 6·1*	*−14·9*	*− 9·6*	*− 3·3*	*+ 1·6*
4	*−3·8*	*+4·6*	*−19·6*	*−12·5*	*− 6·7*	*+ 2·3*	*−16·3*	*− 4·3*	*− 8·1*	*− 1·0*

[1] Including purchases *less* sales of land and existing buildings. [2] Including transfer costs of land and buildings.

[3] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter 1976 and £75 million in 2nd quarter 1977.


£ million, 1970 prices, seasonally adjusted.
Sector
Private
General government
Public corporations
Type of asset
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1,600
1,400
1,200
800
600
400
200
0
1,000
1972
1973
1974
1975
1976
1977
1978

Indicators of fixed investment by manufacturing industry

	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work (GB)[1,2]
	Total§	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1970 prices, seasonally adjusted	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[3]	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[3]	£ million, 1970 prices, seasonally adjusted
1967	1,737·7	1,318·6	+ *1*	..	319·6	−*12*	..	527·9
1968	1,851·2	1,406·1	+ *7*	..	335·9	+ *5*	..	549·6
1969	1,977·5	1,471·5	+ *5*	..	390·1	+*16*	..	605·9
1970	2,129·8	1,623·9	+*10*	..	391·2	—	..	565·2
1971	1,988·0	1,520·2	− *6*	..	353·0	−*10*	..	405·2
1972	1,720·8	1,310·4	−*14*	..	287·1	−*19*	..	400·5
1973	1,730·3	1,333·0	+ *2*	..	266·7	− *7*	..	514·9
1974	1,964·4	1,529·2	+*15*	..	295·0	+*11*	..	433·0
1975	1,694·9	1,336·7	−*13*	..	252·8	−*14*	..	276·9
1976	1,632·8	1,297·7	− *3*	..	213·8	−*15*	..	329·5
1977	1,761·3†	1,384·8†	+ *7*	..	228·2†	+ *7*	..	396·8[4]†
1972 *3*	420·5	316·6	−*17*	16	71·8	−*17*	− 4	97·4
4	421·0	321·7	−*11*	17	65·7	−*25*	− 2	99·0
1973 *1*	435·0	337·3	− *4*	30	64·6	−*15*	4	121·7
2	416·7	321·3	—	35	64·1	−*12*	11	124·5
3	449·6	347·1	+*10*	39	69·3	− *4*	18	130·0
4	429·0	327·3	+ *2*	38	68·7	+ *5*	16	138·8
1974 *1*	496·5	384·6	+*14*	− 3	76·9	+*19*	−15	108·3
2	488·2	379·3	+*18*	2	73·3	+*14*	−10	109·0
3	486·7	379·7	+ *9*	− 6	71·1	+ *3*	−22	109·5
4	493·0	385·6	+*18*	−33	73·7	+ *7*	−39	106·1
1975 *1*	455·5	358·0	− *7*	−41	68·7	−*11*	−47	85·0
2	432·5	341·4	−*10*	−27	65·8	−*10*	−42	67·0
3	409·2	322·1	−*15*	−24	62·0	−*13*	−39	73·1
4	397·7	315·2	−*18*	−15	56·3	−*24*	−31	51·9
1976 *1*	396·5	314·9	−*12*	10	54·3	−*21*	−12	70·7
2	400·0	316·4	− *7*	15	52·2	−*21*	− 9	83·0
3	414·3	329·9	+ *2*	25	53·1	−*14*	− 3	78·9
4	422·0	336·5	+ *7*	26	54·2	− *4*	1	96·9
1977 *1*	418·2	330·7	+ *5*	29	52·1	− *4*	4	92·5
2	432·7	336·6	+ *6*	31	55·8†	+ *7*	—	115·1
3	455·9†	360·6†	+ *9*	23	58·6	+*10*	− 4	97·2
4	454·5	356·9	+ *6*	21	61·7	+*14*†	− 3	92·0[4]†
1978 *1*				21			− 4	
2								

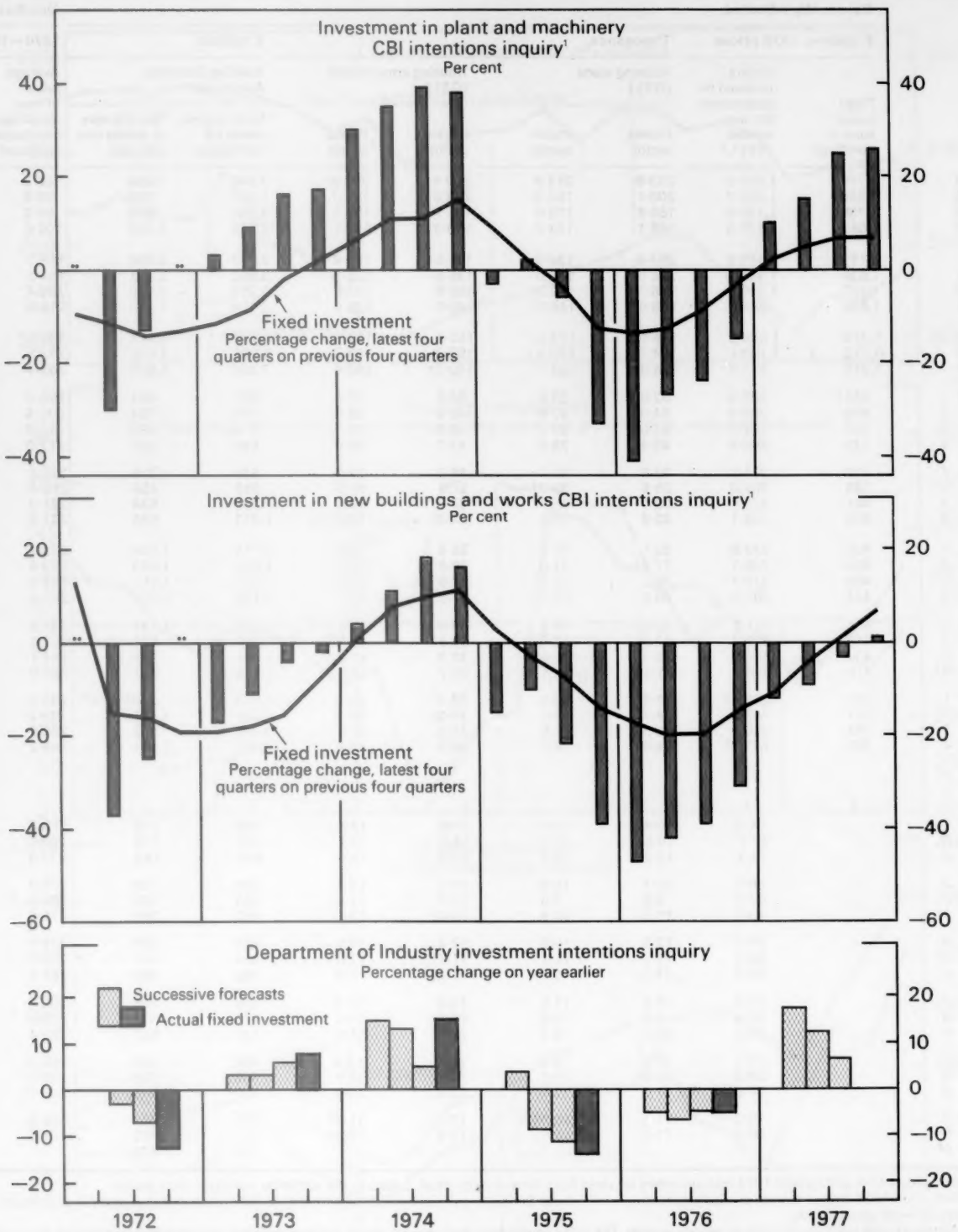
[1] New orders from 3rd quarter 1974 include orders received by firms, mostly small, added to the statistical register in that period.
[2] From 2nd quarter 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.
[3] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less. Figures relate to Inquiries in February, June and October of each year until 1972, when they are held in the first month of each quarter.
[4] Provisional.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

Percentage change over previous year, in volume terms

	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1968	probably some increase	about +5	less than +5	+ 6·5
1969	between +10 and +15	+10 to +15, perhaps top end	of the order of +10	+ 6·8
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about −2	about −6 to −8	− 6·5
1972	little change, perhaps a rise	about −3	−7	−12·6
1973	+2 to +5	+2 to +5	+6	+ 0·8
1974	strong increase about +15	some +12 to +14	about +5	+15·7
1975	less than +5	−7 to −10	about −11 or −12	−14·0
1976	of the order of −5	−5 to −8	−4 to −5	− 4·9
1977	between +15 and +20	+10 to +15	+7	
1978	between +12 and +17	+10 to +13		

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these two inquiries are not included in the table.)

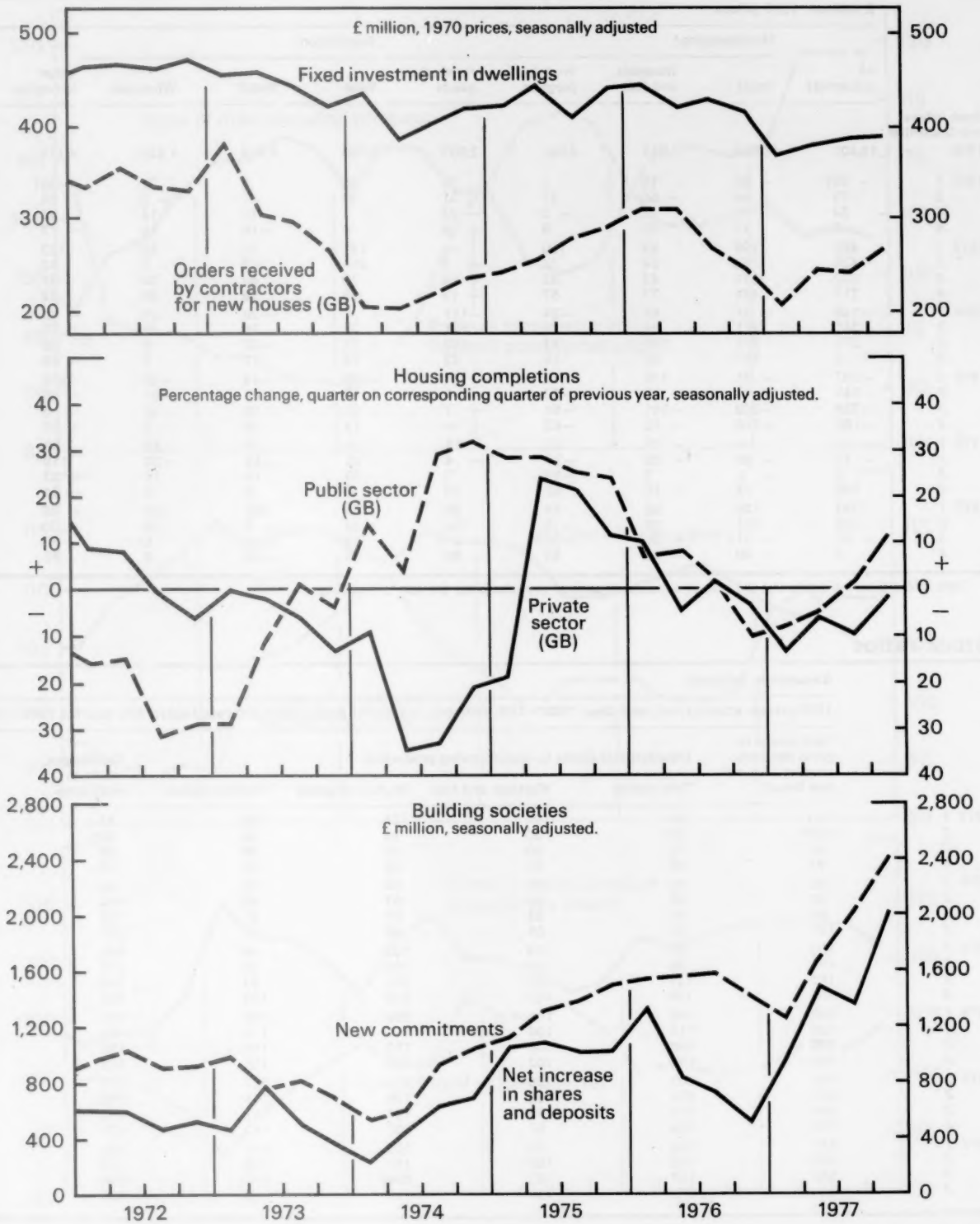


[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

Indicators of fixed investment in dwellings

	Seasonally adjusted								Unadjusted
	£ million, 1970 prices		Thousands				£ million		1970=100
			Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		
	Fixed investment in dwellings	Orders received by contractors for new houses (GB) [1,2]	Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	Average price of new dwellings: mortgages approved [3]
1967	1,784	1,665·9	233·6	213·9	200·4	203·9	1,649	1,099	83·8
1968	1,868	1,435·7	200·1	194·3	222·0	191·7	1,480	767	89·6
1969	1,785	1,165·9	166·8	176·6	181·7	185·1	1,580	895	94·2
1970	1,643	1,171·6	165·1	153·8	170·3	180·1	2,188	1,490	100·0
1971	1,749†	1,190·8	207·4	136·9	191·6	158·9	3,013	2,034	115·3
1972	1,838	1,351·1	228·0	123·0	196·5	122·8	3,802	2,193	151·5
1973	1,772	1,247·9	215·7	112·8	186·6	107·5	3,254	2,102	206·4
1974	1,639	866·2	105·9	146·1†	140·9	128·6	3,115	1,993	218·9
1975	1,713	1,066·0	149·1	173·8	150·8	162·3	5,302	4,172	239·5 [4]
1976	1,712	1,139·5	154·7	170·9	152·2	163·0	6,106	3,435	253·5
1977	1,518	954·9 [5]	134·8†	132·1	140·2†	162·5	7,358	5,808	285·4
1973 *1*	454†	382·4	62·6	29·8	48·8	25·8	991	464	196·0
2	456	303·2	54·9	27·8	49·0	29·5	759	784	205·4
3	441	297·7	52·8	27·2	46·1	26·2	816	498	211·6
4	421	264·5	45·4	28·0	42·7	26·0	688	356	217·0
1974 *1*	436	204·6	33·8	34·1	44·3	29·5	533	218	216·8
2	383	202·0	25·8	39·7†	31·9	30·8	598	456	215·4
3	401	223·4	22·5	36·5	30·9	33·9	931	634	221·0
4	419	236·1	23·8	35·8	33·8	34·4	1,053	685	221·8
1975 *1*	420	242·6	33·1	41·4	35·8	37·8	1,119	1,054	228·1
2	445	256·1	37·4	37·8	39·6	39·3	1,311	1,035	233·4
3	406	276·9	38·0	43·9	37·6	42·5	1,373	1,012	244·5
4	442	290·3	40·6	50·7	37·8	42·7	1,499	1,021	245·1
1976 *1*	448	311·4	42·0	49·8	39·4	40·6	1,537	1,341	249·8
2	418	309·7	42·0	44·3	37·8	42·4	1,552	824	253·4
3	430	269·3	39·3	44·4	38·3	41·5	1,581	727	264·1
4	416	248·6	31·4	32·4	36·7	38·5	1,419	513	267·0
1977 *1*	367	206·4 [4]	29·9	30·3	33·7	37·5	1,255	939	270·3
2	377	245·5	34·7†	32·7	35·8†	40·3	1,680	1,503	279·8
3	386	240·9	35·3	34·6	34·8	41·8	2,021	1,352	288·9
4	388	262·1 [5]	34·9	34·5	35·9	42·9	2,400	2,014	298·2
1978 *1*									
2									
1976 *O*	..	84·3	10·4	11·4	11·9	13·4	495	175	266·5
N	..	87·1	10·8	11·2	12·3	13·1	467	155	265·0
D	..	77·2	10·2	9·8	12·5	12·0	457	183	270·3
1977 *J*	..	66·7	10·1	10·9	11·1	12·6	394	224	270·4
F	..	63·7	9·5	8·5	11·7	12·9	389	323	268·6
M	..	76·0	10·3	10·9	10·9	12·0	472	392	271·5
A	..	76·0	12·3	10·0	12·4	13·5	458	496	276·3
M	..	80·3	11·2	11·1	11·7	13·0	634	547	278·7
J	..	89·2	11·2†	11·6	11·7†	13·8	588	460	284·1
J		70·0	12·2	11·6	12·6	12·8	609	368	286·7
A		86·5	9·8	10·9	10·4	14·4	685	427	289·7
S		84·4	13·3	12·1	11·8	14·6	727	557	290·4
O		76·1	12·3	12·4	12·3	14·9	780	667	295·3
N		89·2	10·8	11·1	11·3	13·7	798	701	298·3
D		96·8 [5]	11·8	11·0	12·3	14·3	822	646	302·9†
1978 *J*		76·2 [5]†	11·5	10·6†	13·0	11·3†	805	504	308·6
F		80·3	11·3	7·2	12·1	10·6	797	462	309·5
M							752	488	

[1] New orders from 3rd quarter 1974 include orders received from firms, mostly small, added to the statistical register in that period.
[2] From April 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.
[3] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[4] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages.
[5] Provisional.


£ million, 1970 prices, seasonally adjusted
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
500
400
300
200
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted.
Public sector (GB)
Private sector (GB)
+
0
—
40
30
20
10
Building societies
£ million, seasonally adjusted.
New commitments
Net increase in shares and deposits
2,800
2,400
2,000
1,600
1,200
800
400
0
1972
1973
1974
1975
1976
1977

Stock changes

Seasonally adjusted

£ million, 1970 prices

	All industries§	Manufacturing[1]				Distribution			Other industries
		Total§	Materials and fuel	Work in progress	Finished goods	Total	Retail	Wholesale	
Book values end-December									
1976	18,401	10,529	3,543	4,082	2,903	3,759	1,929	1,830	4,113
1972 *1*	− 30†	− 83	− 15	7	− 75	29	8	21	24†
2	33	− 60	− 50	21	− 31	39	41	− 2	54
3	24	− 21	2	− 2	− 22	− 1	−15	14	46
4	8	19	22	6	− 8	− 4	−19	15	− 7
1973 *1*	462	199	89	110	—	131	92	39	132
2	424	166	94	75	− 3	216	209	7	42
3	262	111	43	82	− 14	70	40	30	81
4	217	121	77	57	− 13	64	38	26	32
1974 *1*	−149	− 71	64	−24	−111	+ 1	−20	21	− 79
2	341	211	68	22	121	73	25	48	57
3	371	377	135	73	169	− 32	−37	5	26
4	− 2	117	20	15	82	− 70	−77	7	− 49
1975 *1*	−197	− 31	136	17	88	− 66	−44	−22	−100
2	−241	− 74	− 51	−22	− 1	−112	−61	−51	− 55
3	−224	−209	−141	−61	− 7	− 10	16	−26	− 5
4	−180	−115	− 63	−52	—	12	24	−12	− 77
1976 *1*	− 1	—	− 25	12	13	59	33	26	− 60
2	− 12	− 66	− 28	−34	− 4	− 65	−45	−20	119
3	5	− 2	7	−16	7	30	16	14	− 23
4	105	73	− 15	48	40	8	5	3	+ 24
1977 *1*	−233	125	55	44	26	153	102	51	− 45
2	229	164	39	− 5	130	34	− 5	39	30
3	− 31	− 31†	− 26†	−32†	27†	− 39†	−44	5†	39
4	− 8	− 40	− 43	54	− 50	− 28	−36	8	61

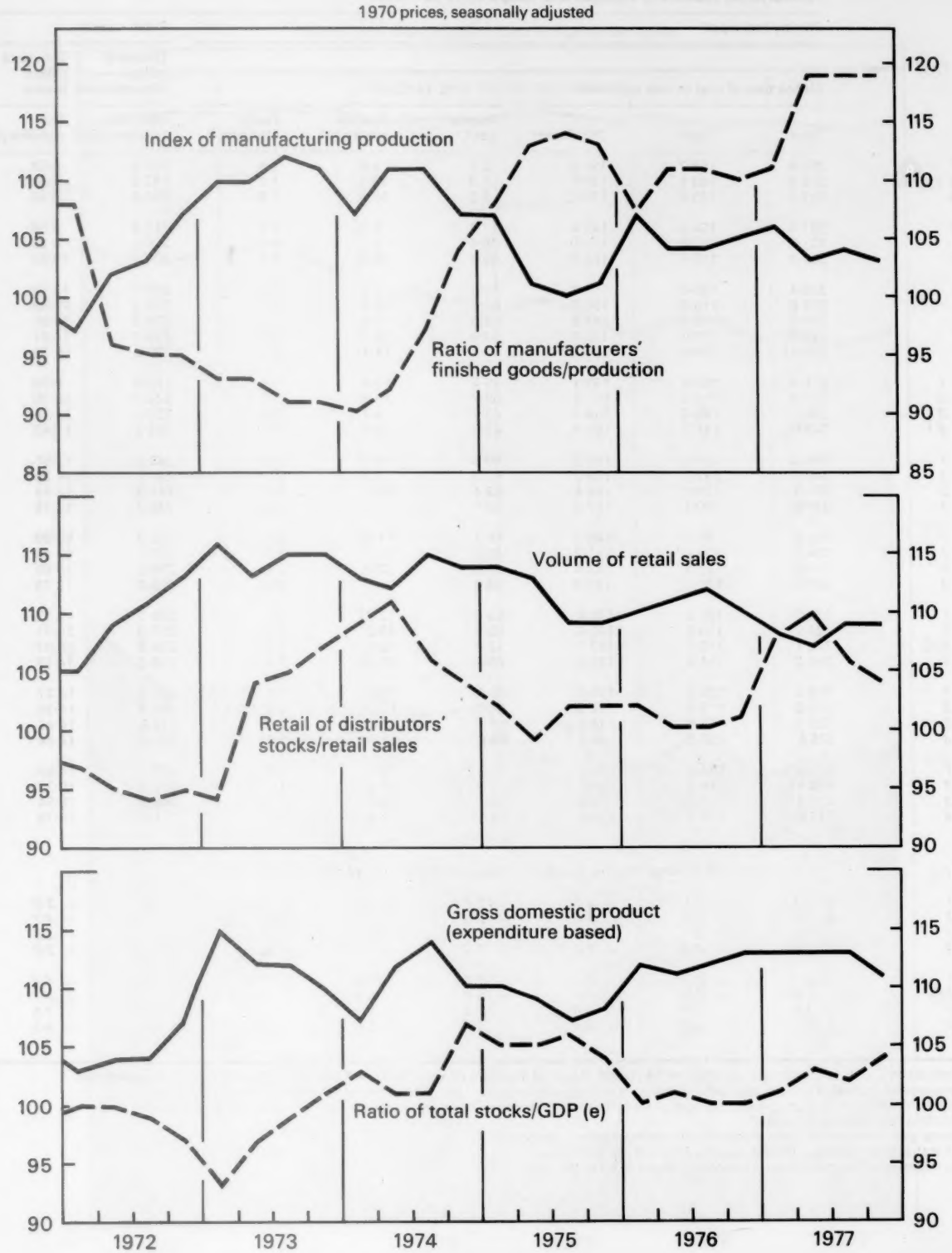
[1]Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

Stock ratios

Seasonally adjusted

1970 prices: stocks level, end-Dec. 1969=100; GDP (e), industrial production and retail sales, 4th quarter 1969=100

	Total stocks to gross domestic product (expenditure based)	Manufactured stocks to manufacturing production				Distributors' stocks to retail sales
		Total stocks	Materials and fuel	Work in progress	Finished goods	
1972 *1*	100	104	102	104	108	97
2	100†	93	90	94	96	95†
3	99	93	90	94	95	94
4	97	94	92	95	95	95
1973 *1*	93	93	91	95	93	94
2	97	95	94	97	93	104
3	99	94	93	97	91	105
4	101	96	96	99	91	107
1974 *1*	103	99	102	103	90	109
2	101	98	100	100	92	111
3	101	101	103	101	97	106
4	107	105	107	105	104	104
1975 *1*	105	106	104	106	108	102
2	105	110	108	111	113	99
3	106	109	105	110	114	102
4	104	107	102	108	113	102
1976 *1*	100	102	96	103	107	102
2	101	104	98	105	111	100
3	100	104	98	104	111	100
4	100	104	97	105	110	101
1977 *1*	101	104	98	105	111	108
2	103	108	101†	107	119	110
3	102	107	100	106†	119†	106
4	104	108	100	108	119	104


1970 prices, seasonally adjusted
Index of manufacturing production
Ratio of manufacturers' finished goods/production
Volume of retail sales
Retail of distributors' stocks/retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP (e)
120
115
110
105
100
95
90
85
1972
1973
1974
1975
1976
1977

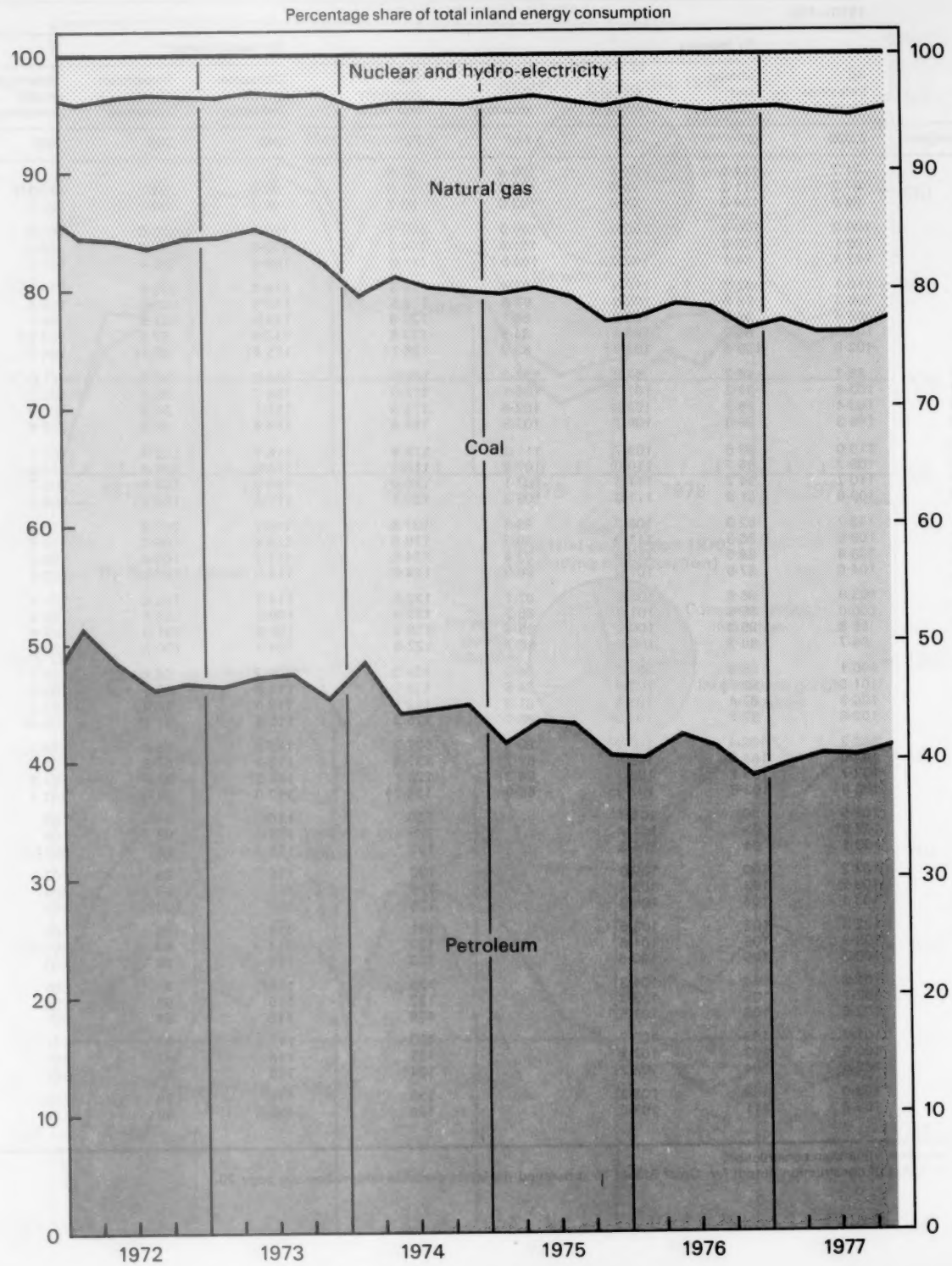
24

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tons of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4,5]	Nuclear electricity[5]	Hydro electricity[5]	Electricity available(GB)[6]	Gas available(GB)[7]
1967	298·5	163·7	121·2	2·1	8·9	2·6	177·8	4·37
1968	307·9	164·1	127·1	4·7	10·1	1·9	193·6	4·88
1969	317·9	160·2	136·2	9·2	10·5	1·8	200·5	5·40
1970	331·0	154·3	147·4	17·6	9·3	2·4	211·6	6·30
1971	327·6	137·8	150·0	28·4	9·7	1·7	215·9	8·25
1972	332·1	119·9	159·6	40·3	10·5	1·8	224·1	10·82
1973	348·4	131·0	161·9	43·6	9·9	2·0	241·0	12·04
1974	332·6	115·8	150·7	52·1	11·9	2·1	235·5	13·53
1975	320·9	118·8	134·9	54·5	10·8	1·9	234·2	13·90
1976	325·6	121·0	132·1	57·9	12·7	1·9	236·7	14·41
1977	332·0†	120·4†	134·2	61·3	14·1	2·0	240·2	15·39
1972 *1*	311·9	103·2	160·1	35·4	11·4	1·8	213·4	9·98
2	332·6	119·2	161·1	39·7	10·3	2·3	224·4	10·70
3	336·1	126·0	154·7	43·7	9·7	2·0	226·3	11·18
4	348·0	131·2	162·6	42·5	10·6	1·1	232·2	11·42
1973 *1*	345·8	132·2	160·2	40·8	10·7	1·9	243·2	11·51
2	346·9	132·3	163·2	40·2	9·2	2·0	241·3	11·69
3	351·2	129·1	166·5	43·4	10·0	2·2	241·3	12·19
4	349·5	130·2	157·8	50·0	9·7	1·8	238·3	12·79
1974 *1*	306·9	94·6	148·5	49·7	11·3	2·8	216·3	13·20
2	334·8	124·6	147·2	49·4	12·3	1·3	237·1	13·49
3	346·0	123·8	153·4	54·6	12·2	2·0	244·2	13·66
4	342·9	120·0	153·9	54·6	12·0	2·4	244·3	13·78
1975 *1*	326·2	125·2	134·6	53·6	10·7	2·1	236·2	13·73
2	324·7	119·3	140·8	52·9	10·2	1·5	237·3	13·71
3	318·1	115·1	137·0	53·3	10·6	2·1	234·7	13·97
4	314·7	115·4	127·1	58·4	11·8	2·0	228·5	14·17
1976 *1*	328·4	123·5	131·7	60·5	10·8	1·9	230·9	14·27
2	325·2	118·9	137·3	54·2	12·3	2·5	240·4	14·36
3	323·2	118·6	134·5	54·2	14·4	1·5	244·3	14·46
4	325·5	123·2	124·9	62·6	13·2	1·6	231·4	14·56
1977 *1*	331·0	124·3	131·3	60·2	13·6	1·6	237·9	14·95
2	333·6	119·1	135·0	62·8	14·3	2·4	242·9	15·32
3	334·8	119·7	135·3	62·7	15·4	1·7	248·3	15·54
4	328·6	118·5	135·2	59·7	12·9	2·3	231·9	15·76
	Percentage change, quarter on corresponding quarter of previous year							
1976 *1*	*+ 0·7*	*− 1·3*	*− 2·1*	*+12·8*	*+ 1·0*	*− 8·9*	*− 2·2*	*+ 3·9*
2	*+ 0·2*	*− 0·3*	*− 2·5*	*+ 2·4*	*+20·5*	*+62·1*	*+ 1·3*	*+ 4·7*
3	*+ 1·6*	*+ 3·1*	*− 1·8*	*+ 1·7*	*+35·8*	*−30·5*	*+ 4·1*	*+ 3·5*
4	*+ 3·4*	*+ 6·8*	*− 1·8*	*+ 7·3*	*+11·6*	*−20·9*	*+ 1·3*	*+ 2·8*
1977 *1*	*+ 0·8†*	*+ 0·7*	*− 0·4*	*− 0·5*	*+26·8*	*−17·6*	*+ 3·0*	*+ 4·8*
2	*+ 2·6*	*+ 0·2*	*− 1·6*	*+15·9*	*+16·3*	*− 7·3*	*+ 1·0*	*+ 6·7*
3	*+ 3·6*	*− 0·9*	*+ 0·6*	*+15·8*	*+ 7·2*	*+14·3*	*+ 1·6*	*+ 7·5*
4	*+ 1·0†*	*− 3·8†*	*+ 8·2*	*− 4·7*	*− 2·6*	*+48·8*	*+ 0·2*	*+ 8·2*

[1] Revised basis. Details of changes are given in the *Digest of United Kingdom Energy Statistics 1976* and in *Energy Trends,* August 1976.
[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.
[4] Excluding gas flared or reinjected.
[5] Natural gas, nuclear and hydro electricity are not temperature corrected.
[6] The inclusion of Northern Ireland would add about 2% to the total.
[7] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
Nuclear and hydro-electricity
Natural gas
Coal
Petroleum
100
90
80
70
60
50
40
30
20
10
0
1972
1973
1974
1975
1976
1977

Index of industrial production

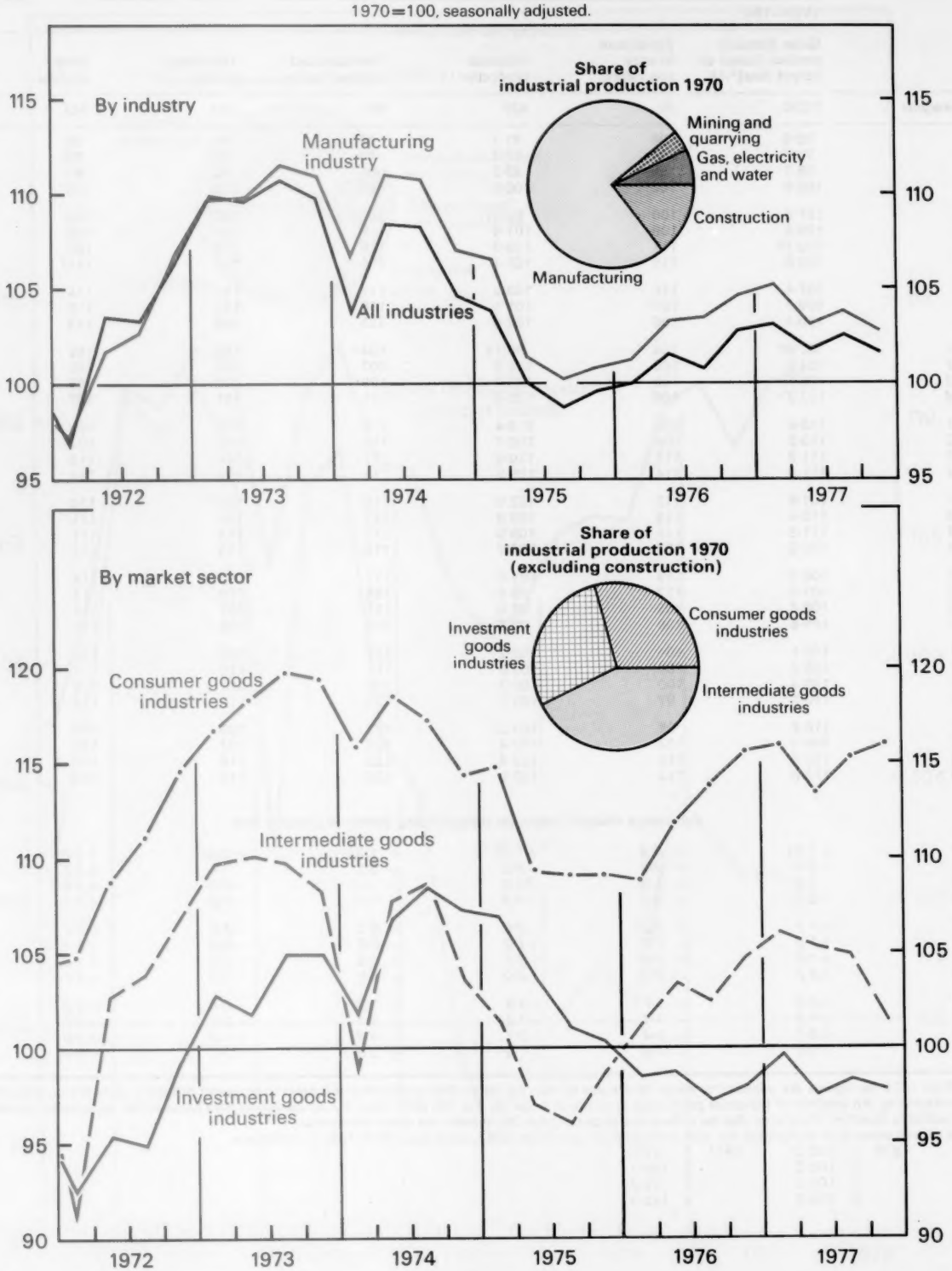
Seasonally adjusted

1970=100

	By industry				By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction[2]	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1970 weights	*1,000*	*37*	*745*	*146*	*72*	*249*	*238*	*363*
1967	91·7	114·5	89·8	100·4	86·0	..	..	..
1968	97·2	111·2	96·0	102·7	91·6	95·4	94·7	97·8
1969	99·9	104·0	99·6	102·0	96·2	98·3	100·1	99·9
1970	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0
1971	100·1	100·0	99·4	101·8	104·0	102·5	97·9	99·2
1972	102·3	84·1	102·0	103·5	111·6	109·8	95·4	101·1
1973	110·1	92·6	110 5	107·9	118·3	118·6	103·5	109·4
1974	106·3	78·8	108·9	93·8	118·9	116·5	106·0	104 6
1975	100·6	86·0	102·2	86·1	120·8	110·5	102·9	98·1
1976	101·3†	88·7	103·1	84·5	123·5	112·4	97·9	102·8†
1977	102·5	103·8	103·7†	83·2	128·1†	115·4†	98·2†	104·3
1972 *1*	96·7	46·2	97·0	104·2	104·5	104·8	92·3	91·0
2	102·8	97·2	101·7	105·1	112·0	108·7	95·2	102·7
3	103·4	96·2	102·8	102·6	114·9	111·1	94·9	103·9
4	106·3	96·9	106·7	102·3	114·8	114·6	99·3	106·8
1973 *1*	110·0	98·5	109·7	111·9	115·8	116·7	102·7	109·7
2	109·7	95·7	110·0	107·2	118·9	118·6	101·6	110·0
3	110·7	94·2	111·5	107·1	118·0	119·9	104·9	109·7
4	109·8	81·9	111·0	105·3	120·5	119·4	104·9	108·2
1974 *1*	103·7	52·9	106·7	99·1	107·8	115·7	101·8	98·5
2	108·5	86·3	111·0	96·3	118·6	118·6	106·7	107·6
3	108·4	88·5	110·8	93·4	124·5	117·2	108·4	108·6
4	104·6	87·5	107·0	86·5	124·8	114·3	107·1	103·5
1975 *1*	103·9	86·5	106·5	87·1	120·5	114·7	106·8	101·4
2	100·0	85·6	101·3	86·3	121·9	109·2	103·6	96 8
3	98·8	85·3	100·2	85·4	118·3	108·9	101·0	95·8
4	99·7	86·7	100·9	85·7	122·6	109·1	100·2	98·6
1976 *1*	100·1	86·6	101·2	86·0	124·8	108·7	98·4	101·1
2	101·5†	88·7†	103·3	84·6	124·0	111·8	98·5	103·4
3	100·9	87·4	103·4	81·9	119·9	113·6	97·0	102·3
4	102·8	92·2	104·5†	85·7	125·3	115·5	97·7†	104·4†
1977 *1*	103·2	102·4	105·2	80·9	127·7	115·8	99·4	106·1
2	102·0	104·0	103·0	81·7	131·3	113·3	97·8	105·2
3	102·7	105·1	103·7	84·3	128·7	115·3†	97·9	104·8
4	102·0	103·6	102·9	85·8	124·7†	117·0	97·6	101·1
1976 *O*	102·5	90†	104·7	..	120	116	97	103
N	102·9†	92	104·7	..	125	115	98	105
D	103·1	94	104·3	..	131	115	98	105†
1977 *J*	103·2	100	105·0	..	132	116	99	107
F	103·2	103	105·4	..	126	116	99	106
M	103·1	104	105·3	..	125	116	100†	105
A	102·3	102	103·5	..	131	114	98	105
M	103·3	105	104·8	..	130	114	99	107
J	100·3	105	100·6	..	133	111	96	103
J	102·8	104	104·3†	..	125	116†	98	105
A	102·7	105	103·3	..	132	115	98	105
S	102·6	106	103·5	..	129	115	98	105
O	101·7	103	102·7	..	123	117	98	101
N	101·6	103	102·1	..	127	116	97	101
D	102·5	104	103·7		124†	118	98	102
1978 *J*	103·0	108	103·2		133	116	99	104
F	103·8	111	103·8		136	116	99	106
M								

[1] All industries other than construction.

[2] For an index of construction output for Great Britain, incorporating the latest available information see page 30.


1970=100, seasonally adjusted.
By industry
Share of industrial production 1970
Mining and quarrying
Gas, electricity and water
Construction
Manufacturing
Manufacturing industry
All industries
115
110
105
100
95
1972
1973
1974
1975
1976
1977
By market sector
Share of industrial production 1970 (excluding construction)
Consumer goods industries
Intermediate goods industries
Investment goods industries
120
115
110
105
100
95
90

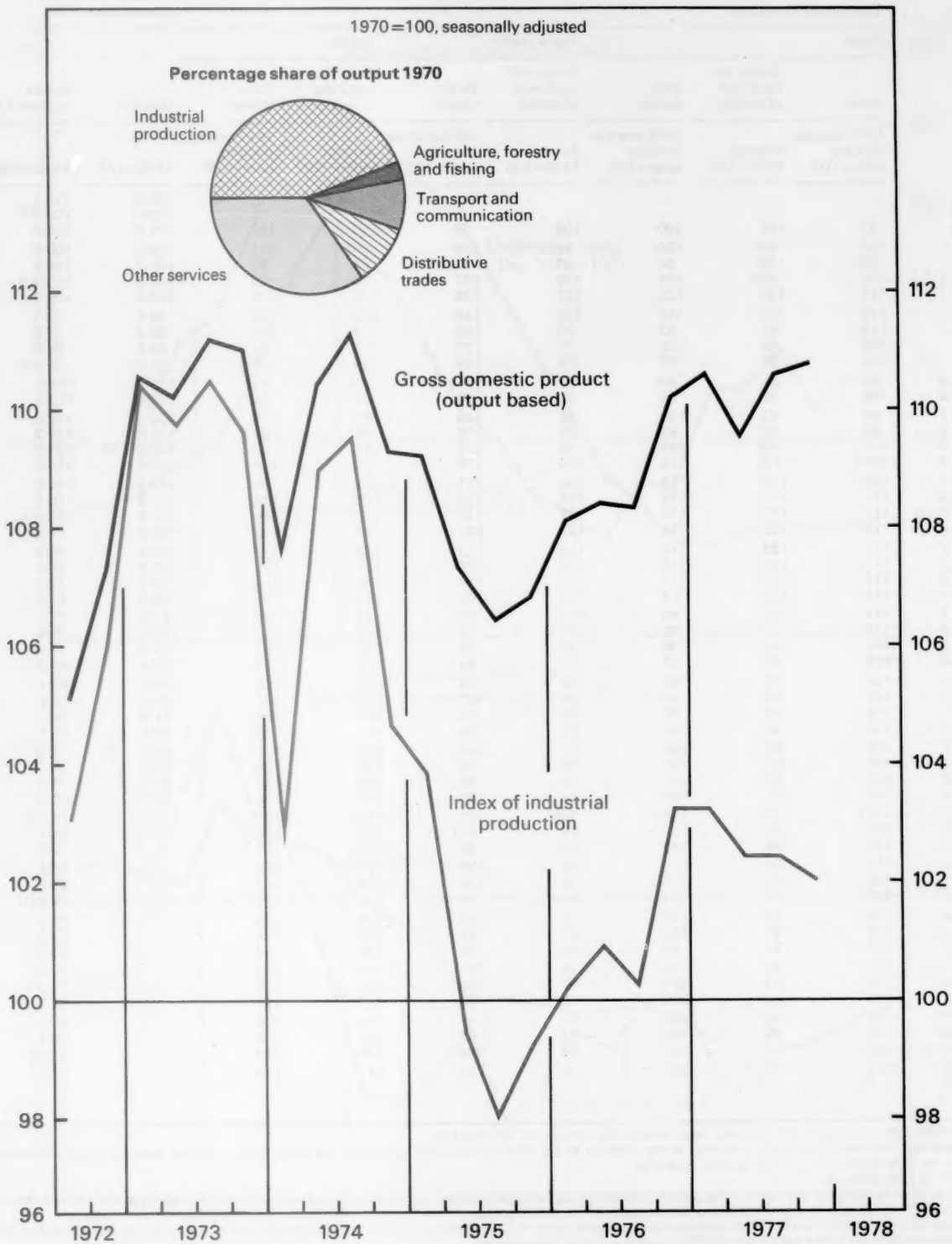
Index numbers of output

	Seasonally adjusted					
	1970=100					
	Gross domestic product (based on output data)[1,2] §	Agriculture, forestry and fishing	Industrial production[1] §	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*439*	*84*	*104*	*343*
1967	92·5	94	91·7	89	94	95
1968	96·4	94	97·2	92	97	96
1969	98·3	95	99·9	96	98	97
1970	100·0	100	100·0	100	100	100
1971	101·5	106	99·9†	103†	102†	103
1972	104·4	108	101·8	108	107	106
1973	110·7†	111	110·0	116	114	109
1974	109·6	116	106·4	116	112	111†
1975	107·4	111	100·2	117	110	114
1976	108·7	101	101·1	118	110	116
1977	110·4	106	102·5	123	109	118
1972 *1*	100·9†	109	96·1†	104†	104	105
2	104·5	108	102·3	107	106	106
3	105·1	108	103·0	109	108	106
4	107·2	108	105·9	111	111	107
1973 *1*	110·6	109	110·4	115	115	109
2	110·2	109	109·7	116	112	109†
3	111·2	113	110·5	117	114	110
4	111·0	114	109·5	118	115	110
1974 *1*	107·5	115	102·6	115	112†	110
2	110·4	115	108·9	117	110	111
3	111·3	116	109·5	117	114	111
4	109·3	117	104·7	116	113	112
1975 *1*	109·2	115	103·8	117	113	113
2	107·3	112	99·6	118	110	113
3	106·4	109	98·0	117	107	114
4	106·8	106	99·2	116	108	114
1976 *1*	108·1	104	100·2	117	110	116
2	108·4	104†	100·9	117	110	116
3	108·3	100	100·2	118	111	116
4	110·2	97	103·2	120	110	118
1977 *1*	110·6	98	103·2	123	109	118
2	109·5	102	102·4	123	107	117
3	110·6	110	102·4	123	110	118
4	110·8	114	102·0	125	110	119
	Percentage change, quarter on corresponding quarter of previous year					
1975 *1*	*+1·6†*	*+ 0·4*	*+1·2†*	*+ 1·8†*	*+0·4†*	*+2·6†*
2	*−2·8*	*− 2·3*	*−8·5*	*+ 0·8*	*—*	*+2·5*
3	*−4·4*	*− 5·9*	*−10·5*	*—*	*−5·6*	*+2·6*
4	*−2·3*	*− 9·5*	*−5·3*	*—*	*−4·8*	*+2·1*
1976 *1*	*−1·1*	*− 9·2†*	*−3·5*	*− 0·2*	*−2·5*	*+2·7*
2	*+1·0*	*− 7·7*	*+1·2*	*− 0·6*	*−0·8*	*+2·4*
3	*+1·8*	*− 7·8*	*+2·3*	*+ 0·9*	*+3·5*	*+1·8*
4	*+3·2*	*− 8·5*	*+4·0*	*+ 3·8*	*+2·7*	*+3·1*
1977 *1*	*+2·3*	*− 5·7*	*+3·0*	*+ 5·3*	*−0·8*	*+2·2*
2	*+1·0*	*− 1·4*	*+1·5*	*+ 5·1*	*−2·6*	*+0·8*
3	*+2·1*	*+ 9·4*	*+2·1*	*+ 4·2*	*−1·3*	*+2·0*
4	*+0·6*	*+17·9*	*−1·2*	*+ 3·8*	*−0·7*	*+0·9*

[1] As from 1970 the figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[2] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1976	*1*	108·0†	1977	*1*	110·2
	2	108·2		*2*	109·1
	3	108·2		*3*	110·2
	4	109·9		*4*	110·4

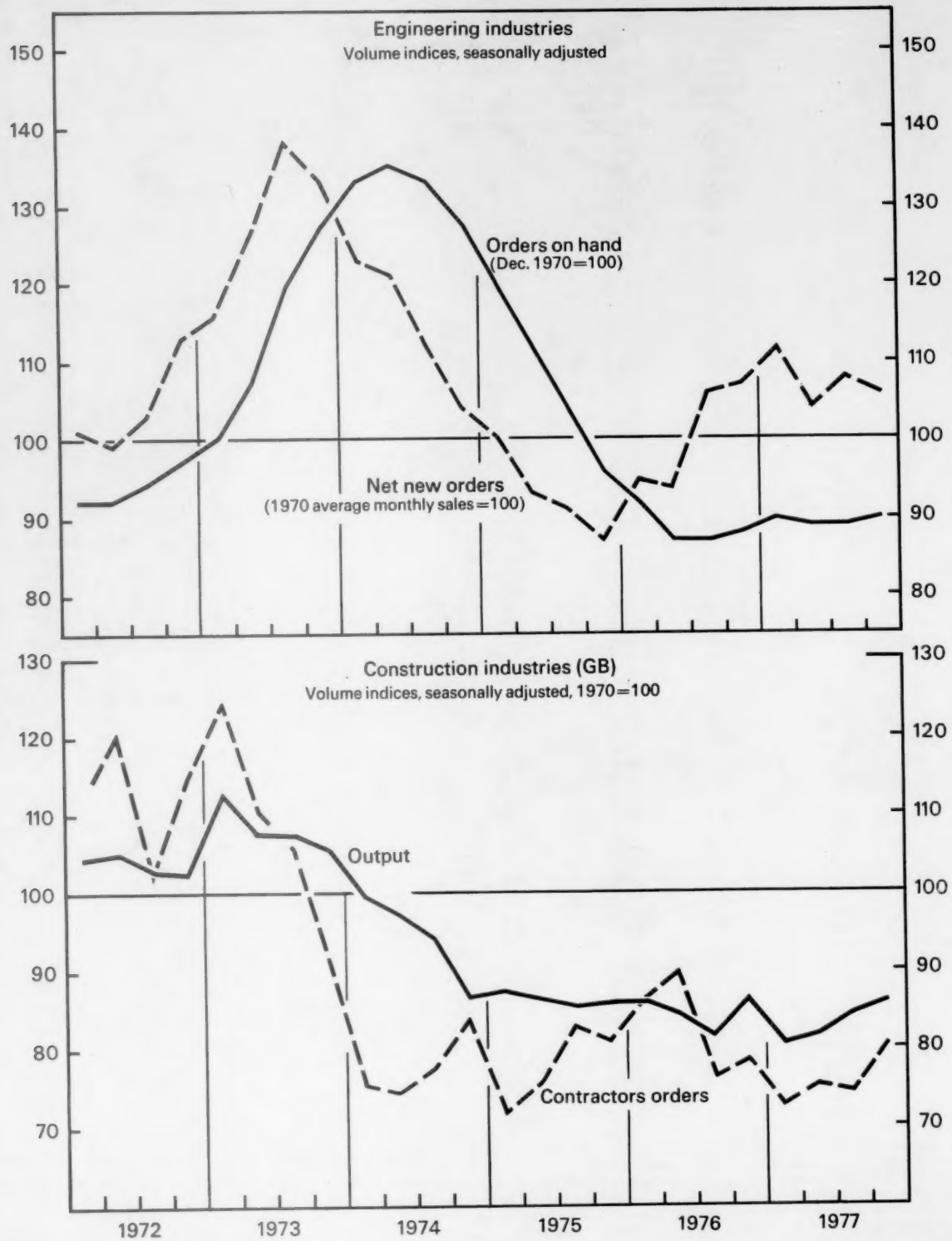

1970=100, seasonally adjusted
Percentage share of output 1970
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Gross domestic product (output based)
Index of industrial production
112
110
108
106
104
102
100
98
96
1972
1973
1974
1975
1976
1977
1978

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

	Engineering industries[1,2]							Construction (GB)	
	Total			Home market		Export			
	Sales	Orders on hand end of period	New orders[3]	Orders on hand end of period	New orders[3]	Orders on hand end of period	New orders[3]	Output[4]	Orders received[5,6]
	1970 average monthly sales=100	Average 1970=100	1970 average monthly sales=100	Average 1970=100	1970 average monthly sales=100	Average 1970=100	1970 average monthly sales=100	1970=100	1970=100
1967	..	..	..	..	..	..	..	100·3	118·1
1968	..	..	..	..	..	..	..	102·4	108·7
1969	97	101	100	102	99	100	102	101·9	102·6
1970	100	99	100	99†	100	99†	101	100·0	100·0
1971	99†	90	94	92	96	83	90	101·7	106·9
1972	100	96†	104	100	107	89	96	103·8	112·9
1973	111	127	129	127	129	128	128	108·5	108·2
1974	115	128	115	122	110	142	128	94·5	77·7
1975	110	97	93	90	89	112	103	86·3	77·8
1976	105	90	101	77	93	117	124†	84·6	82·9
1977	106	91	107	78	99	120	129	83·3[7]	75·7[8]
1971 *3*	99	91	98†	93	101†	87†	92†	101·1	104·5
4	98	90	94	92†	98	83	84	103·4	110·6
1972 *1*	96	92	102	95	103	87	101	104·5	114·6
2	99	92	99	95	103	86	88	105·2	120·2
3	100	93†	103	96	107	87	90	102·9	102·0
4	106†	96	112	100	115	89	104	102·5	114·9
1973 *1*	108	100	116	104	121	91	104	112·7	124·5
2	111	107	127	111	128	100	125	107·8	110·7
3	112	119	137	121	135	115	143	107·6	106·0
4	114	127	133	127	130	128	139	105·9	91·6
1974 *1*	111	133	123	128	113	143	148	99·8	75·2
2	115	136	123	129	116	151	140	97·2	74·3
3	117	133	111	127	110	148	115	94·2	77·5
4	116	128	104	122	102	142	110	86·9	83·9
1975 *1*	118	120	99	113	96	134	105	87·3	71·6
2	110	113	95	106	91	128	106	86·5	75·5
3	108	105	90	98	86	120	101	85·5	82·9
4	105	97	88	90	84	112	99	85·9	81·0
1976 *1*	104	93	94	86	89	107	109	86·0	86·4
2	106	88	96	81	91	102	107	84·4	90·6
3	105	88	106	79	95	108	134	81·8	76·1
4	105	90	109	77	96	117	144	86·1	78·4
1977 *1*	108	90	109	77	101	120	131	80·7	72·8
2	106	90	105	76	96	120	129	81·9	75·5
3	107	89	107	76	98	120	130	84·5	74·4
4	104	91	107	78	100	120	125	86·1[7]	80·5[8]
1976 *O*	107†	89†	115†	78†	97	113†	162†	..	73·3
N	105	90	112	78	97†	117	150	..	84·7
D	105	90	100	77	93	117	121	..	77·2
1977 *J*	111	90	113	78	106	117	132	..	77·3
F	108	90	112	78	104	118	134	..	62·9
M	104	90	103	77	94	120	128	..	78·2
A	108	90	110	77	99	121	138	..	70·8
M	105	91	106	77	97	121	129	..	73·0
J	107	90	99	76	92	120	120	..	82·6
J	108	89	105	76	101	117	114		62·6
A	106	90	113	77	100	120	149		73·0
S	106	89	102	76	93	120	127		87·5
O	106	90	107	76	99	119	128		68·3
N	101	89	100	77	97	117	108		80·4
D	104	91	115	78	106	120	139		92·9[7]
1978 *J*	113	90	107	78	103	117	118		77·2[7]
F									
M									

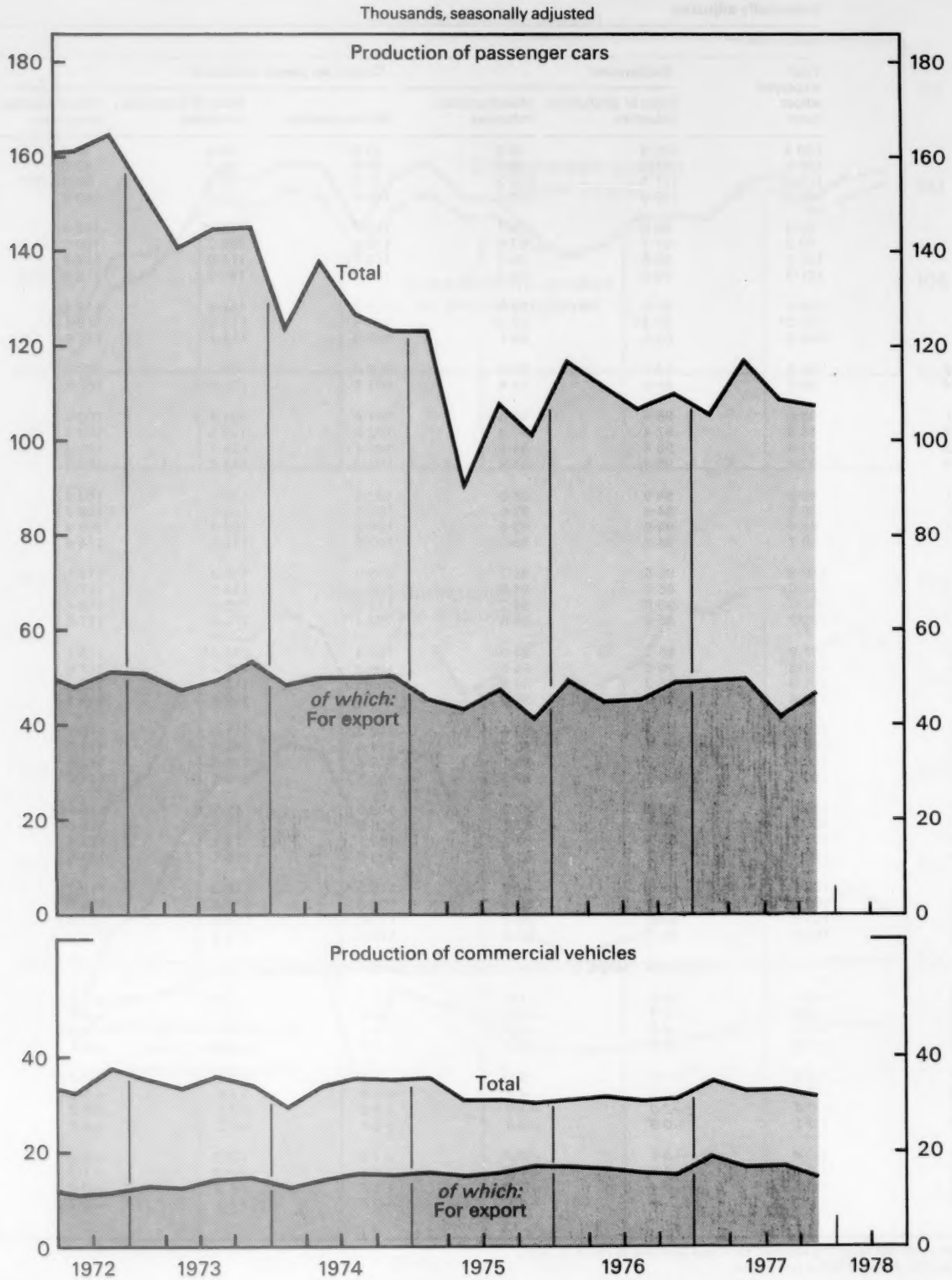
[1] Mechanical, instrument and electrical engineering (SIC Orders VII, VIII and IX).
[2] Updated seasonal factors have produced some revisions to the back series; at the same time the opportunity has been taken to incorporate revisions to the data arising from late or revised reporting.
[3] Net of cancellations.
[4] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.
[5] New orders from 3rd quarter 1974 include orders received by firms, mostly small, added to the statistical register in that period. An allowance has been made in the index calculation for this small element of discontinuity.
[6] From April 1976 the index has been adjusted to remove the estimated discontinuity caused by revision to estimation methods.
[7] Output series revised from 1970. Details of the new method of deflation to constant prices will be given in *Economic Trends*, May 1978.
[8] Provisional.


Engineering industries
Volume indices, seasonally adjusted
Orders on hand
(Dec. 1970=100)
Net new orders
(1970 average monthly sales=100)
150
140
130
120
110
100
90
80
Construction industries (GB)
Volume indices, seasonally adjusted, 1970=100
Output
Contractors orders
130
120
110
100
90
80
70
1972
1973
1974
1975
1976
1977

Motor vehicle production and steel production and consumption

	Seasonally adjusted							
	Thousands[1]						Thousand tonnes	
	Passenger cars§			Commercial vehicles§				
	Total	*Percentage change on year earlier*	*of which:* For export	Total	*Percentage change on year earlier*	*of which:* For export	Crude steel production[2,3]	Finished steel consumption
1967	129·3	*− 3·2*	47·0	32·1	*−12·2*	11·6	24,279	15,840
1968	151·3	*+17·1*	66·9	34·1	*+ 6·3*	12·5	26,277	16,835
1969	143·1	*− 5·5*	68·7	38·8	*+13·8*	16·1	26,846	17,782
1970	136·7	*− 4·4*	60·2	38·1	*− 1·8*	15·8	27,780[4]	17,637[4]
1971	145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7	24,174	16,722
1972	160·1	*+10·3*	51·1	34·0	*−10·6*	11·3	25,321	16,750
1973	145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3	26,649	18,445
1974	127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2	22,323	17,548
1975	105·6	*−17·4*	44·3	31·7	*− 5·4*	15·5	19,789[4]	15,446[4]
1976	111·1	*+ 5·2*	47·1	31·0	*− 2·3*	15·8	22,274	15,804
1977	109·7	*− 1·3*	46·9	33·2	*+ 7·0*	16·4	20,411	15,375[7]
1972 *3*	161·3	*+ 9·2*	48·1	32·3	*−17·7*	10·7	6,732	4,275
4	164·3	*+10·9*†	51·2	37·5	*+ 5·0*	11·6	6,875	4,499
1973 *1*	152·2†	*− 1·5*†	50·8	35·4	*+ 9·9*†	12·5†	6,671	4,667
2	140·5	*−12·4*	47·7	33·6	*− 1·2*	12·1	6,415	4,368
3	144·6	*−10·3*	49·7	35·9	*+11·0*	14·1	6,954	4,599
4	145·1	*−11·7*	53·5	34·0	*− 9·4*	14·4	6,649	4,811
1974 *1*	123·2	*−19·1*	48·2	29·2	*−17·5*	12·3	5,218	4,357
2	137·9	*− 1·9*	50·0	33·9	*+ 0·9*	14·0	5,784	4,560
3	126·8	*−12·4*	50·0	35·8	*− 0·1*	15·6	5,763	4,252
4	123·5	*−14·9*	50·5	35·3	*+ 3·7*	14·9	5,599	4,379
1975 *1*	123·4	*+ 0·2*	45·5	35·6	*+22·2*	15·8	6,102	4,267
2	90·1	*−34·7*	43·4	30·6	*− 9·9*	14·7	4,661	3,695
3	108·0	*−14·8*	47·5	30·6	*−14·7*	15·2	4,231[5]	3,715[5]
4	101·1	*−18·1*	41·0	30·1	*−14·6*	16·5	4,719	3,769
1976 *1*	116·6	*− 5·5*	49·3	30·7	*−13·9*	16·3	5,480	4,076
2	111·4	*+23·6*	44·7	31·6	*+ 3·3*	16·1	5,731	3,887
3	106·4	*− 1·5*	45·3	30·5	*− 0·2*	15·6	5,375	3,785
4	110·0	*+ 8·9*	49·0	31·2	*+ 3·7*	15·2†	5,650	4,056
1977 *1*	105·4	*− 9·7*	49·3	34·7	*+13·2*	18·6	5,417	3,750
2	116·9	*+ 5·0*	49·9	32·4	*+ 2·5*	16·3	4,908	3,764
3	108·8	*+ 2·3*	41·9	33·9	*+11·0*	16·5	5,419	3,981
4	107·5	*− 2·3*	46·5	31·8	*+ 1·7*	14·3	4,641	3,880[7]
1976 *J*	98·9	*−21·5*	42·8	28·8	*−22·5*	15·9	1,575	..
F	127·7	*− 4·8*	53·2	31·6	*−13·9*	16·5	1,731	..
M	123·4	*+12·0*	51·9	31·6	*− 4·0*	16·3	2,174[6]	..
A	102·7	*− 8·6*	41·4	30·6	*− 7·8*	15·7	1,764	..
M	114·2	*+78·0*	46·5	32·6	*+10·5*	16·6	1,840	..
J	117·3	*+25·1*	46·3	31·6	*+ 8·5*	16·0	2,127[6]	..
J	130·8	*+29·0*	51·0	32·8	*+11·8*	16·2	1,700	..
A	84·5	*−14·8*	41·5	27·3	*− 9·3*	14·5	1,603	..
S	104·0	*−15·8*	43·5	31·4	*− 2·7*	16·1	2,072[6]	..
O	115·0	*+21·2*	48·0	31·6	*+ 3·0*	16·1	1,718	..
N	113·6	*+11·3*	50·3	33·6	*+13·7*	16·2	1,849	..
D	101·4	*− 4·5*	48·6	28·5	*− 5·4*	13·2	2,083[6]	
1977 *J*	120·7	*+22·0*	57·6	36·7	*+27·3*	19·1	1,803	..
F	98·6	*−22·8*	47·1	33·3	*+ 5·4*	17·9	1,631	..
M	96·9	*−21·5*	43·2	34·2	*+ 8·2*	18·6	1,983[6]	..
A	121·5	*+18·4*	51·6	32·2	*+ 5·2*	17·5	1,453	..
M	121·6	*+ 6·5*	53·0	35·9	*+ 9·9*	17·8	1,536	..
J	107·6	*− 8·3*	45·0	29·2	*− 7·7*	13·5	1,919[6]	..
J	105·3	*−19·5*	40·7	33·4	*+ 1·8*	16·6	1,703	..
A	101·6	*+20·2*	35·7	34·3	*+25·7*	16·7	1,996[6]	..
S	119·6	*+15·0*	49·4	33·9	*+ 7·9*	16·1	1,720	..
O	103·0	*−10·5*	47·6	33·3	*+ 5·3*	15·2	1,506	..
N	103·9	*− 8·5*	46·0	29·9	*−11·0*	12·8	1,846[6]	..
D	115·7	*+14·0*	45·9	32·1	*+12·7*	15·0	1,289	..
1978 *J*	112·2	*− 7·1*	46·9	33·5	*− 8·7*	16·3	1,330	..
F	112·4	*+13·9*	43·9	31·1	*− 6·9*	15·2	1,522	
M								

[1] Monthly averages or standardised calendar months.
[2] From January 1974 the totals are for 'useable steel' in accordance with the system used by the EEC and the International Iron and Steel Institute.
[3] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[4] 53-week period; reduced to 52-week basis for comparison purposes.
[5] 14-week period; reduced to 13-week basis for comparison purposes. [6] Five-week periods. [7] Provisional


Thousands, seasonally adjusted
Production of passenger cars
180
160
140
120
100
80
60
40
20
0
Total
of which:
For export
Production of commercial vehicles
40
20
0
Total
of which:
For export
1972
1973
1974
1975
1976
1977
1978

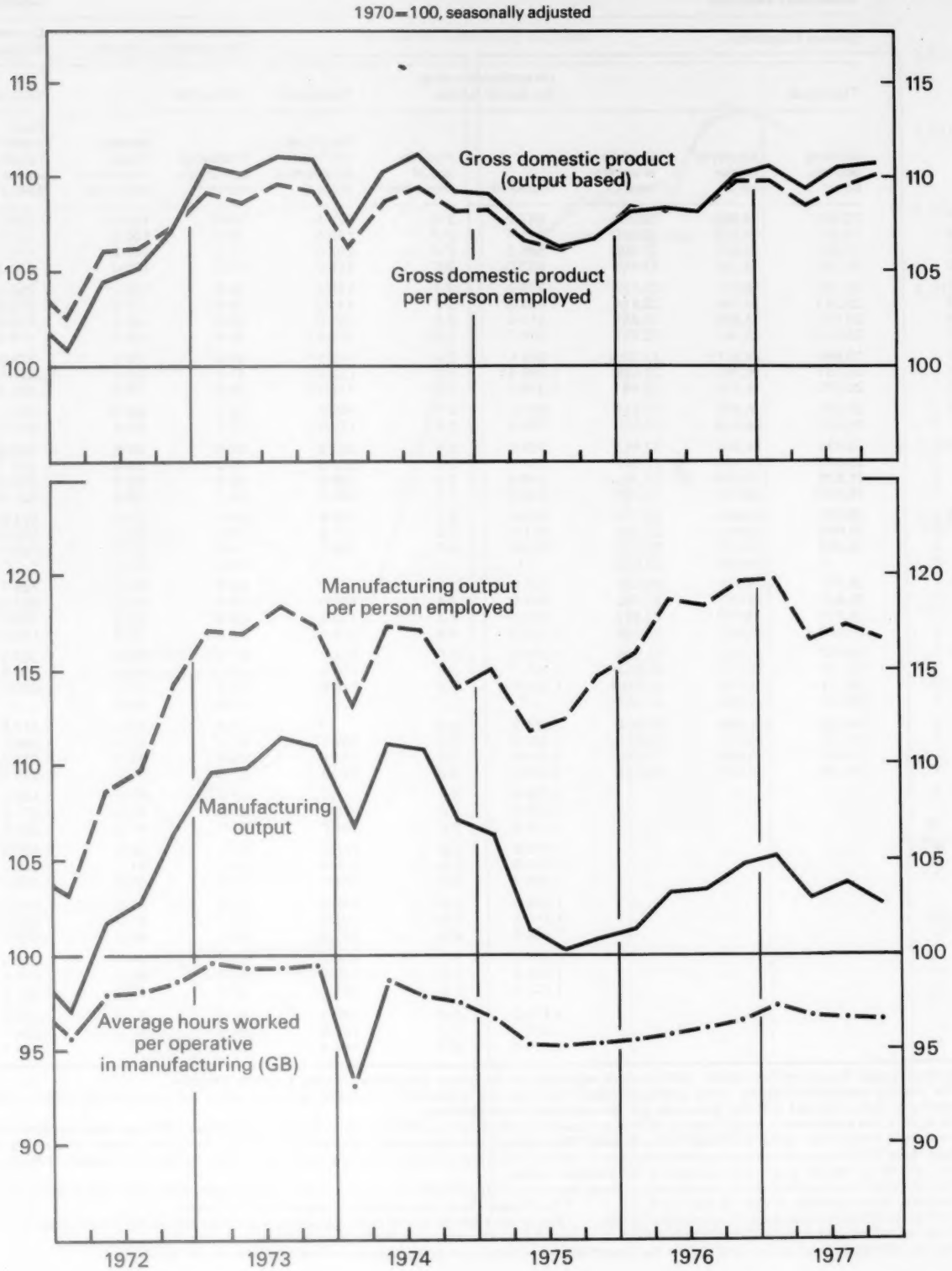
Output per person employed

Seasonally adjusted

1970=100

	Total employed labour force	Employment		Output per person employed[1]		
		Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1967	100·9	101·9	99·6	91·6	90·0	90·2
1968	100·5	101·6	99·0	95·9	95·7	97·0
1969	100·4	101·4	100·3	97·9	98·5	99·3
1970	100·0	100·0	100·0	100·0	100·0	100·0
1971	98·3	96·9	96·7	103·3	103·3†	102·8
1972	99·0	94·7	93·6	105·5	108·0	109·0
1973	101·1	95·8	94·1	109·5†	114·9	117·4
1974	101·3	95·5	94·3	108·2	111·3	115·5
1975	100·7	91·5	90·1	106·7	109·9	113·4
1976	100·2[2]	89·3[2]	87·3[2]	108·5[2]	113·5[2]	118·1[2]†
1977	100·5	89·5	88·1	109·9	114·4	117·6
1970 *3*	99·9	99·7	99·8	100·6	100·7	100·2
4	99·7	99·0	99·4	101·1	101·5	101·4
1971 *1*	98·6	98·4	98·6	101·6	101·3	100·6
2	98·6	97·4	97·3	102·8	103·3	102·9
3	97·9	96·4	96·1	104·1	103·7	103·3
4	97·9	95·4	94·9	104·7	104·9	104·3
1972 *1*	98·5	94·8	94·0	102·4	102·0	103·2
2	98·6	94·6	93·6	106·0	108·7	108·7
3	99·0	94·5	93·5	106·2	109·4	109·9
4	99·7	94·8	93·3	107·5	112·1	114·4
1973 *1*	100·9	95·5	93·7	109·6	115·2	117·1
2	101·0	95·8	94·0	109·1	114·5	117·0
3	101·1	95·9	94·2	110·0	115·4	118·4
4	101·2	95·9	94·5	109·7	114·5	117·5
1974 *1*	101·0	95·7	94·3	106·4	108·4	113·1
2	101·3	95·6	94·5	109·0	113·5	117·5
3	101·6	95·3	94·5	109·5	113·7	117·2
4	101·4	95·3	93·8	107·8	109·8	114·1
1975 *1*	100·9	93·2	92·5	108·2	111·5	115·1
2	100·8	91·8	90·7	106·4	108·9	111·7
3	100·6	91·0	89·1	105·8	108·6	112·5
4	100·3	90·0	87·9	106·5	110·8	114·8
1976 *1*	100·1	89·6	87·3	108·0	111·7	115·9†
2	100·1	89·3	87·1	108·3	113·8	118·6
3[2]	100·2	89·2	87·3	108·1	113·1	118·4
4	100·4	89·2	87·5	109·8	115·4	119·5
1977 *1*	100·5	89·5	87·9	110·0	115·3	119·7
2	100·6	89·8	88·3	108·8	113·5	116·6
3	100·5	89·6	88·3	110·0	114·6	117·4
4	100·5	89·2	87·9	110·2	114·0	116·7
	Percentage change, quarter on corresponding quarter of previous year					
1975 *1*	*−0·1*	*−2·6*	*−1·9*	*+1·7*†	*+2·9*†	*+1·8*
2	*−0·5*	*−4·0*	*−4·0*	*−2·4*	*−4·1*	*−4·9*
3	*−1·0*	*−4·5*	*−5·7*	*−3·4*	*−4·5*	*−4·0*
4	*−1·0*	*−5·6*	*−6·3*	*−1·2*	*+0·9*	*+0·6*
1976 *1*	*−0·8*	*−3·9*	*−5·6*	*−0·2*	*+0·2*	*+0·7*†
2	*−0·7*	*−2·7*	*−4·0*	*+1·8*	*+4·5*	*+6·2*
3	*−0·4*	*−2·0*	*−2·0*	*+2·2*	*+4·1*	*+5·2*
4	*+0·1*	*−0·9*	*−0·5*	*+3·1*	*+4·2*	*+4·1*
1977 *1*	*+0·4*	*−0·1*	*+0·7*	*+1·9*	*+3·2*	*+3·3*
2	*+0·5*	*+0·6*	*+1·4*	*+0·5*	*−0·3*	*−1·7*
3	*+0·3*	*+0·4*	*+0·9*	*+1·8*	*+1·3*	*−0·8*
4	*+0·1*	—	*+0·5*	*+0·4*	*−1·2*	*−2·3*

[1] The ratios do not take into account part-time working or hours of work.
[2] Figures after June 1976 are provisional.


1970=100, seasonally adjusted
115
110
105
100
Gross domestic product (output based)
Gross domestic product per person employed
120
115
110
105
100
95
90
Manufacturing output per person employed
Manufacturing output
Average hours worked per operative in manufacturing (GB)
1972
1973
1974
1975
1976
1977

National employment and unemployment[1]

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands	1970=100		Thousands
	Working population[2]	Employed labour force[2]	Employees in employment[2,3]	Thousands	Percentage of employees[4]	Vacancies notified to employment offices§	Employees in employment[2,3]	Average hours worked per operative[8]	Total unemployed including school leavers
1967	25,526	24,980	22,801	547·2	*2·3*	175·1	99·9	100·2†	556·7
1968	25,412	24,826	22,640	574·4	*2·4*	189·5	99·0	100·9	583·3
1969	25,406	24,841	22,608	566·3	*2·4*	202·0	100·3	101·0	576·2
1970	25,336	24,732	22,458	602·0	*2·6*	188·3	100·2	100·0	612·2
1971	25,166	24,390	22,113	775·8	*3·4*	130·9	96·8	98·1	792·1
1972	25,243	24,384	22,114	854·9	*3·7*	147·3	93·4	97·6	875·6
1973	25,600	24,969	22,661	611·0	*2·6*	307·0	94·0	99·4	618·8
1974	25,656†	25,061	22,791	599·7[5]	*2·6*[5]	301·6[5]	94·6	96·7	614·9[5]
1975	25,846	24,931†	22,709†	929·1	*3·9*	148·1[5]	90·0	95·6	977·6
1976	26,137	24,761	22,539	1,269·9[5]	*5·3*[5]	120·0[5]	87·1	96·0	1,358·8[5]
1977	26,370	24,874	22,661	1,378·1	*5·8*	155·6[5]	88·4	96·9	1,483·6
1972 *3*	25,348	24,496	22,211	841·0	*3·7*	149·2	93·3	98·3†	851·7
4	25,432	24,658	22,363	789·4	*3·4*	178·5	93·2	98·6	804·4
1973 *1*	25,639	24,959	22,657	705·6	*3·0*	233·5	93·9	99·5	758·9
2	25,600	24,969	22,661	634·7	*2·7*	296·5	94·0	99·4	625·7
3	25,538	25,003†	22,703†	578·8	*2·5*	336·0	94·0	99·4	568·5
4	25,540†	25,030	22,739	524·7	*2·3*	360·7	94·7	99·5	521·9
1974 *1*	25,580	24,984	22,704	574·5	*2·5*	292·6	94·2	93·0	624·9
2	25,656	25,061	22,791	581·6	*2·5*	317·9	94·6	98·6	570·2
3	25,753	25,141	22,879	613·0	*2·6*	308·2	94·3	97·9	623·3
4	..[7]	25,076	22,828	..[7]	..[7]	..[7]	93·3	97·5	..[7]
1975 *1*	25,757	24,966	22,733	735·2	*3·1*	..[7]	92·0	96·7	788·7
2	25,846	24,931	22,709	858·5	*3·6*	163·0	90·0	95·3	853·8
3	25,974	24,878	22,652	994·6	*4·2*	133·8	88·6[8]	95·2	1,095·5
4	26,029	24,820	22,595	1,128·2	*4·8*	115·5	87·7	95·3	1,172·3
1976 *1*	26,042	24,759	22,536	1,219·9	*5·1*	114·7	87·1	95·5	1,297·5
2	26,137	24,761	22,539	1,260·7	*5·3*	118·1	87·1	95·8	1,294·9
3	26,171[8]	24,774	22,550[8]	1,300·1	*5·4*	125·0	87·3	96·1	1,473·7
4	26,210	24,826	22,606	..[9]	..[9]	..[7]	87·6	96·5	..[9]
1977 *1*	26,236	24,850	22,634	1,329·5	*5·6*	..[7]	88·0	97·4	1,417·8
2	26,370	24,874	22,661	1,340·6	*5·6*	157·7	88·4	96·9	1,394·7
3	26,408	24,864	22,650	1,414·6	*5·9*	151·9	88·1	96·7	1,622·4
4	26,350	24,854	22,644	1,427·8	*6·0*	160·1	87·9	96·6	1,499·4
1977 *J*	..	..	..	1,329·9	*5·6*	..[7]	87·7	97·2	1,448·2
F	..	..	..	1,330·0	*5·6*	148·8	87·9	97·6	1,421·8
M	..	..	..	1,328·5	*5·6*	154·0	88·0	97·3	1,383·5
A	..	..	..	1,333·8	*5·6*	155·5	88·2	96·9	1,392·3
M	..	..	..	1,323·8	*5·5*	159·4	88·3	97·0	1,341·7
J	..	..	..	1,364·3	*5·7*	158·1	88·4	96·8	1,450·1
J	..	..	..	1,398·5	*5·9*	155·2	88·4	96·8	1,622·4
A	..	..	..	1,410·3	*5·9*	153·4	88·2	97·0	1,635·8
S	..	..	..	1,434·9	*6·0*	147·2	88·1	96·4	1,609·1
O				1,431·5	*6·0*	156·0	88·0	96·7	1,518·3
N	..	..	..	1,429·6	*6·0*	159·4	87·9	96·5	1,499·1
D	..	..	..	1,422·3	*6·0*	165·0	87·9	96·7	1,480·8
1978 *J*	..	..	..	1,419·2	*5·9*	180·3	87·9	97·2	1,548·5
F	..	..	..	1,409·0	*5·9*	187·0	88·0	97.1	1,508·7
M	..	..	..	1,400·0	*5·9*	195·8	..	..	1,461·0

[1] Unemployment figures do not include adult students registered for temporary employment during a current vacation.

[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and HM Forces as well as employees in employment.

[3] From 1971, the employees in employment estimates are based on annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate to mid-year. From June 1976 the employee in employment figures for the UK which are provisional until the publication of the results of the Census of Employment for June 1977, include a constant component for Northern Ireland.

[4] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): the latest figure available is that for mid-1976.

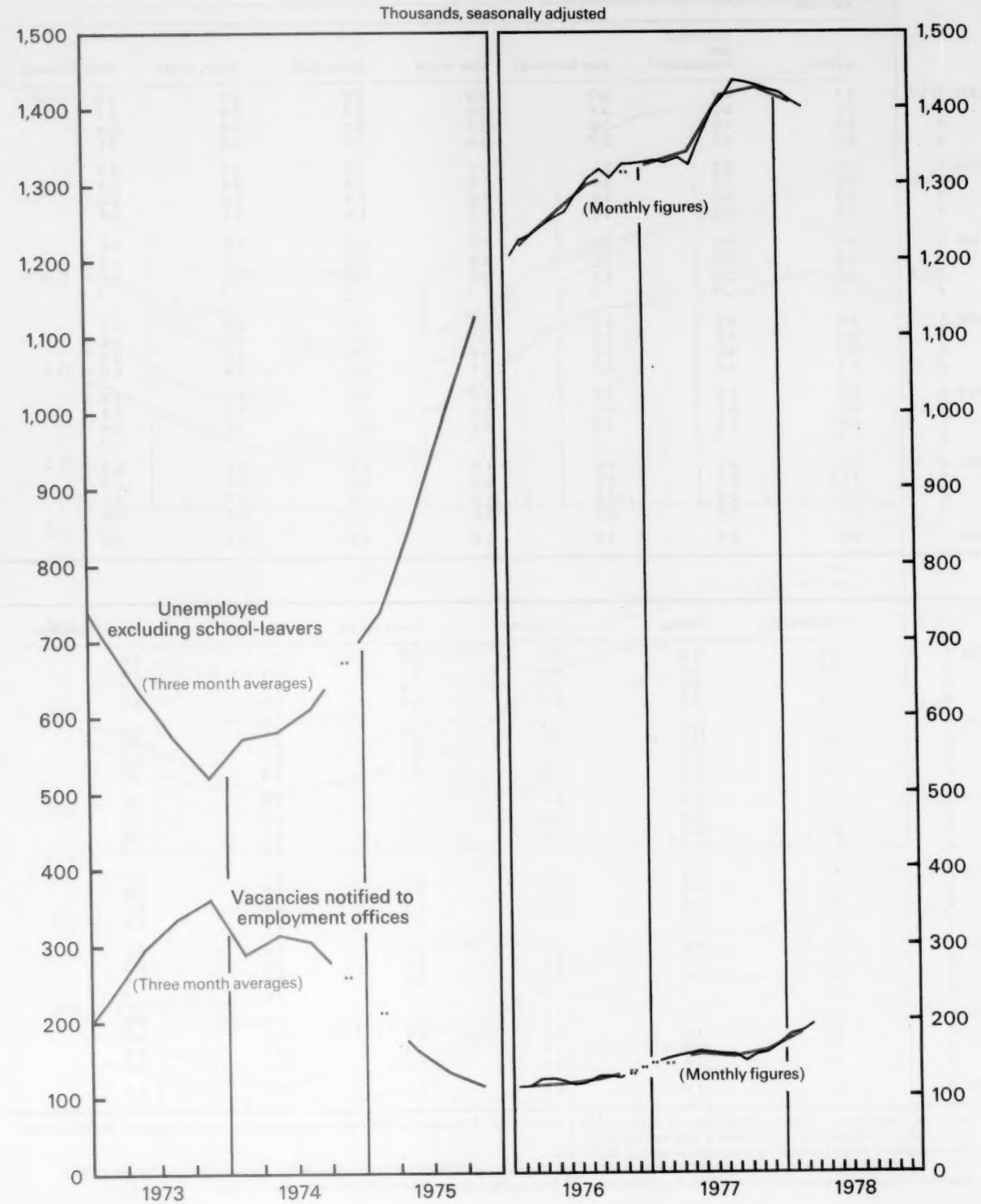
[5] The figures shown are averages of eleven months figures.

[6] The figures shown are averages of ten months figures.

[7] Figure not available due to industrial action. For further details see note to page 129 of the *Department of Employment Gazette*, February 1975.

[8] Estimates after June 1976 are provisional.

[9] Because of industrial action by some staff in the Department of Employment group, figures for these months are not available.


Thousands, seasonally adjusted
1,500
1,400
1,300
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Unemployed
excluding school-leavers
(Three month averages)
Vacancies notified to
employment offices
(Three month averages)
(Monthly figures)
(Monthly figures)
1973
1974
1975
1976
1977
1978

Regional unemployment rates[1]

Seasonally adjusted

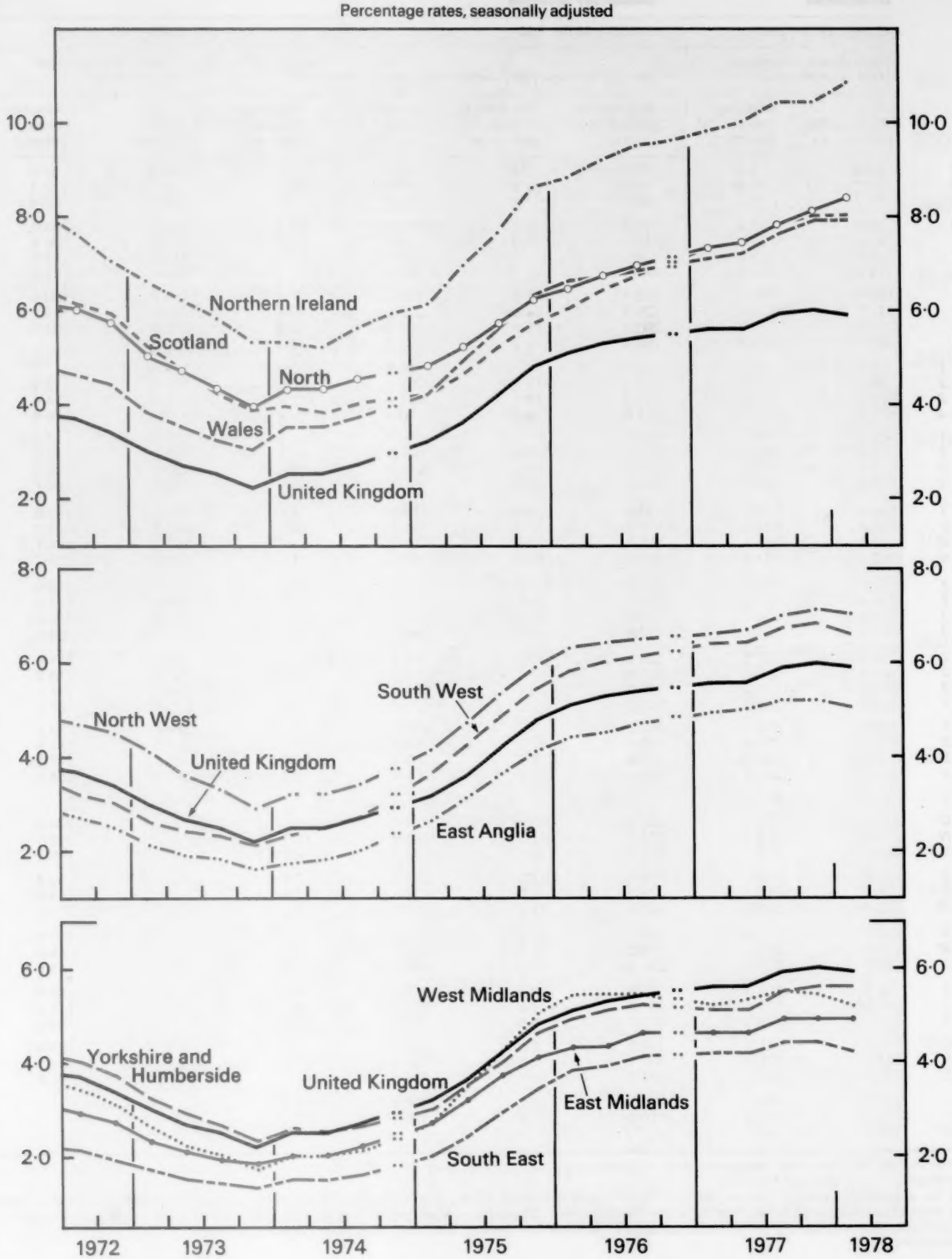
Per cent

	North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1972 *1*	6·4	4·4	3·2	3·3	2·3	3·7	3·8
2	6·1	4·2	3·1	2·9	2·2	3·5	3·7
3	6·0	4·0	2·9	2·7	2·1	3·2	3·4
4	5·7	3·7	2·7	2·5	1·9	3·0	3·1
1973 *1*	5·0	3·2	2·3	2·1	1·7	2·6	2·6
2	4·7	2·9	2·1	1·9	1·5	2·4	2·2
3	4·3	2·6	1·9	1·8	1·4	2·3	2·0
4	3·9	2·3	1·8	1·6	1·3	2·1	1·7
1974 *1*	4·3	2·6	2·0	1·7	1·5	2·3	2·0
2	4·3	2·5	2·0	1·8	1·5	2·5	2·0
3	4·5	2·6	2·2	2·0	1·6	2·7	2·1
4	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]
1975 *1*	4·8	3·0	2·7	2·6	2·0	3·6	2·7
2	5·2	3·5	3·2	3·1	2·4	4·2	3·5
3	5·7	4·0	3·7	3·6	2·9	4·8	4·2
4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976 *1*	6·4	4·9	4·3	4·4	3·8	5·8	5·4
2	6·7	5·1	4·3	4·5	3·9	6·0	5·4
3	6·9	5·2	4·6	4·7	4·1	6·1	5·4
4	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]
1977 *1*	7·3	5·1	4·6	4·9	4·2	6·4	5·2
2	7·4	5·1	4·6	5·0	4·2	6·4	5·3
3	7·8	5·5	4·9	5·2	4·4	6·7	5·5
4	8·1	5·6	4·9	5·2	4·4	6·8	5·4
1978 *1*	8·4	5·6	4·9	5·0	4·2	6·6	5·2

	North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1972 *1*	4·8	5·0	6·6	3·9	8·1	4·0
2	4·8	4·8	6·4	3·7	8·1	3·8
3	4·7	4·6	6·1	3·6	7·6	3·7
4	4·5	4·4	5·9	3·4	7·0	3·4
1973 *1*	4·1	3·8	5·2	3·0	6·6	3·0
2	3·6	3·5	4·7	2·7	6·2	2·7
3	3·3	3·2	4·2	2·4	5·7	2·5
4	2·9	3·0	3·8	2·2	5·3	2·3
1974 *1*	3·2	3·5	3·9	2·4	5·3	2·5
2	3·2	3·5	3·8	2·4	5·2	2·5
3	3·4	3·7	3·9	2·6	5·6	2·6
4	..[3]	..[3]	..[3]	..[3]	5·9	..[3]
1975 *1*	4·1	4·2	4·2	3·1	6·1	3·1
2	4·7	4·9	4·6	3·6	6·9	3·6
3	5·3	5·6	5·2	4·1	7·6	4·2
4	5·9	6·3	5·7	4·7	8·6	4·8
1976 *1*	6·3	6·6	6·0	5·0	8·8	5·1
2	6·4	6·7	6·4	5·2	9·2	5·3
3	6·5	6·8	6·7	5·4	9·5	5·4
4	..[4]	..[4]	..[4]	..[4]	9·6	..[4]
1977 *1*	6·6	7·1	7·3	5·5	9·8	5·6
2	6·7	7·2	7·4	5·5	10·0	5·6
3	7·0	7·6	7·8	5·8	10·4	5·9
4	7·1	7·9	8·0	5·9	10·4	6·0
1978 *1*	7·0	7·9	8·0	5·8	10·8	5·9

[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figure available is that for mid-1976.
[2] The boundaries of the standard regions were revised in April 1974.
[3] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.
[4] Because of industrial action by some staff in the Department of Employment group, figures are not available.

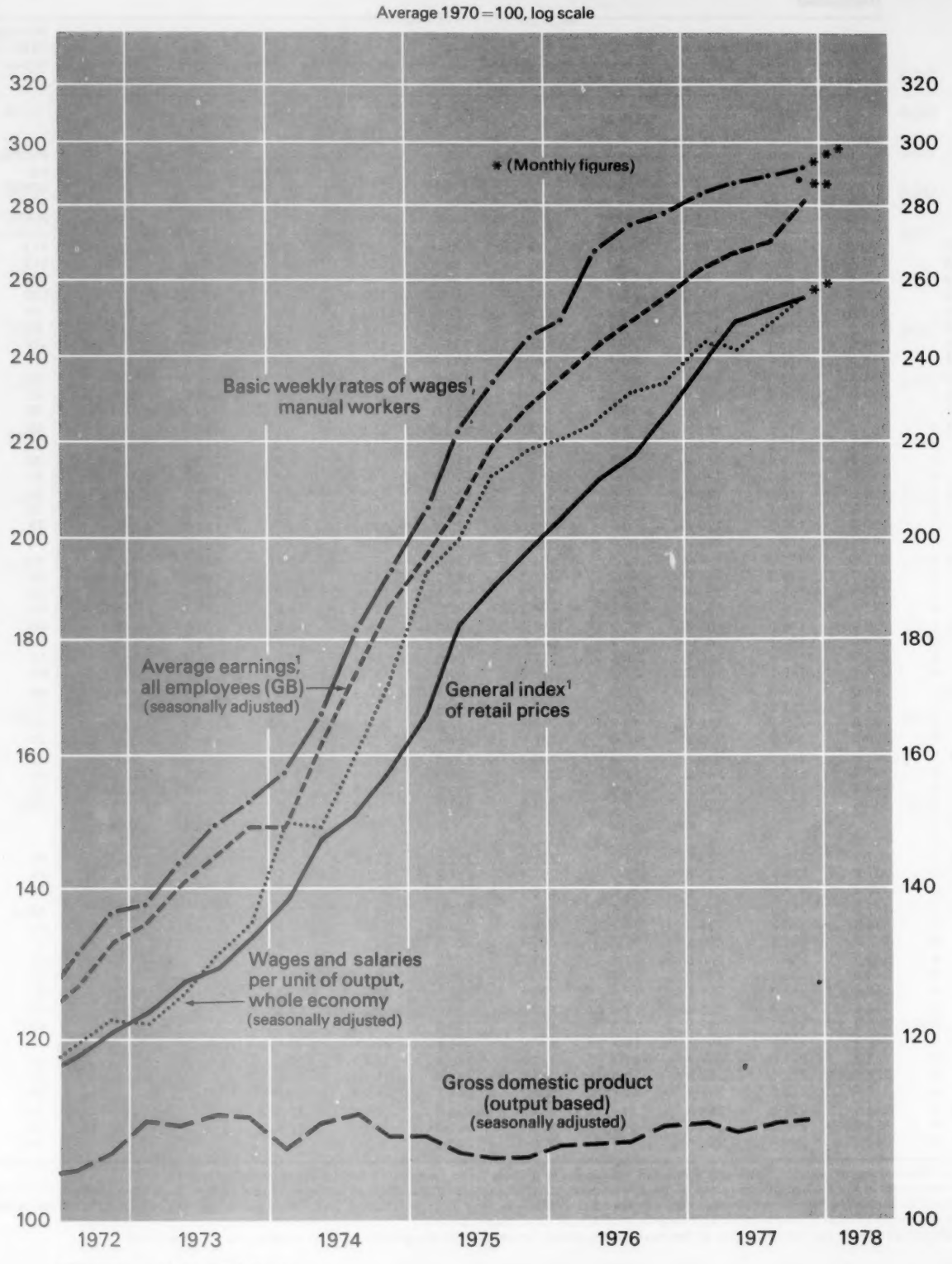
Percentage rates, seasonally adjusted



Wage rates and earnings

	Unadjusted		Seasonally adjusted					
	31 July 1972=100[1]		January 1970=100				1970=100	
	Basic weekly wage rates (manual workers)		Average earnings (GB) (wages and salaries combined)				Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	All industries and services covered§	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1967	63·9	63·6	81·8	*3·6*	81·1	*3·6*	86·2†	82·9
1968	68·1	68·4	88·2	*7·8*	87·8	*8·2*	88·2	83·1
1969	71·7	72·1	95·2	*7·8*	94·9	*8·1*	91·2	88·4
1970	78·8	79·4	106·7	*12·1*	107·0	*12·7*	100·0	100·0
1971	89·0	89·3	118·7	*11·3*	118·9	*11·2*	109·0	108·8
1972	101·3	101·5	134·1[2]	.. [3]	134·2[2]	.. [3]	118·7	113·4
1973	115·2	114·6	152·1	.. [3]	151·5	.. [3]	128·2	121·2
1974	138·0	134·3	179·1	*17·8*	177·5	*17·1*	158·0	150·0
1975	178·7	174·4	226·6	*26·6*	223·9	*26·2*	206·1	195·7
1976	213·2	209·0	261·9	*15·6*	260·8	*16·5*	227·5	221·1
1977	227·2†	218·9†	288·6	*10·2*	287·7	*10·3*	247·1	
1972 *1*	96·0	95·5	126·4[3]	.. [3]	126·8[3]	.. [3]	116·5†	.. [3]
2	98·1	98·2	130·7	*11·6*	131·4	*11·9*	116·8	112·8
3	103·4	104·6	134·9	*12·1*	135·7	*12·7*	119·3	114·6
4	107·9	107·6	141·5	*15·5*	140·5	*14·4*	122·1	114·4
1973 *1*	108·7	108·1	144·4	.. [3]	143·7	.. [3]	121·8	114·7
2	113·4	111·7	150·2	*14·9*	149·6	*13·8*	125·2	119·2
3	118·1	117·8	154·5	*14·5*	153·6	*13·2*	130·6	122·3
4	120·6	120·7	159·2	*12·5*	159·1	*13·3*	135·1	128·7
1974 *1*	124·3	122·7	157·8[4]	*9·2*[4]	157·4[4]	*9·5*[4]	149·8	133·8
2	131·7	128·0	172·5	*14·9*	171·2	*14·5*	148·9	142·7
3	143·2	139·4	185·1	*19·8*	183·9	*19·7*	159·7	154·1
4	152·7	147·1	199·5	*25·3*	197·4	*24·1*	173·8	169·7
1975 *1*	162·7	155·1	209·6	*32·9*	207·5	*31·8*	193·1	179·0
2	175·3	171·9	220·1	*27·6*	216·9	*26·7*	200·0	192·5
3	184·3	180·5	234·0	*26·4*	230·6	*25·4*	213·3	202·8†
4	192·6	190·1	242·8	*21·7*	240·6	*21·9*	218·1	208·6
1976 *1*	204·2	201·5	250·9	*19·7*	249·1	*20·1*	221·0	214·6
2	211·5	209·0	258·6	*17·5*	258·6	*19·2*	224·6	218·0
3	217·8	212·5	265·5	*13·5*	264·4	*14·7*	231·2	224·1
4	219·3	213·1	272·7	*12·3*	271·4	*12·8*	233·4	227·8
1977 *1*	223·3	215·7	280·2	*11·7*	278·5	*11·8*†	243·5	234·3
2	225·9	217·9	285·2	*10·3*	284·5	*10·0*	241·5	243·5
3	228·7†	220·2†	228·4	*8·7*	287·2	*8·6*	248·4	247·0
4	231·1	221·6	300·4	*10·2*	300·4	*10·7*	255·1	258·0
1978 *1*	236·1	225·2						
1976 *O*	218·2	212·7	269·0	*12·4*	268·4	*13·3*	..	224·9
N	219·4	213·3	272·2	*12·9*	269·4	*12·8*	..	228·1
D	220·2	213·3	277·1	*11·7*	276·3	*12·2*	..	230·3
1977 *J*	222·5	215·5	278·1	*12·0*	276·5	*12·3*	..	232·4
F	223·5	215·7	278·7	*11·2*	277·4	*11·8*	..	233·6
M	223·9	216·0	283·9	*11·6*	281·8	*11·5*	..	237·0
A	224·7	216·8	283·1	*11·0*	282·8	*11·1*	..	240·1
M	225·5	218·0	286·2	*10·2*	285·7	*10·0*	..	245·0
J	227·4	218·9	286·2	*9·6*	285·0	*9·0*	..	245·5
J	228·2	219·3	286·5	*8·9*	285·6	*8·9*	..	246·9
A	228·8†	220·4	288·7	*8·0*	287·1	*8·2*	..	245·4
S	229·0	220·9	290·1	*9·0*	288·9	*8·8*	..	248·8
O	229·4	221·0	294·6	*9·5*	293·7	*9·4*	..	253·4
N	231·1	221·9	300·1	*10·3*	299·8	*11·3*	..	258·6
D	232·8	221·9	306·6	*10·7*	307·6	*11·3*	..	261·9
1978 *J*	235·4	225·0	306·5	*10·2*	308·0	*11·4*	..	
F	236·4	225·3	310·6[5]	*11·4*[5]	310·9[5]	*12·1*[5]		
M	236·6	225·4						

[1] Prior to July 1972 the series was based on 31 January 1956=100. Figures before July 1972 have therefore been linked.
[2] Average of 11 months. See footnote[3].
[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.
[4] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation.
[5] Provisional.



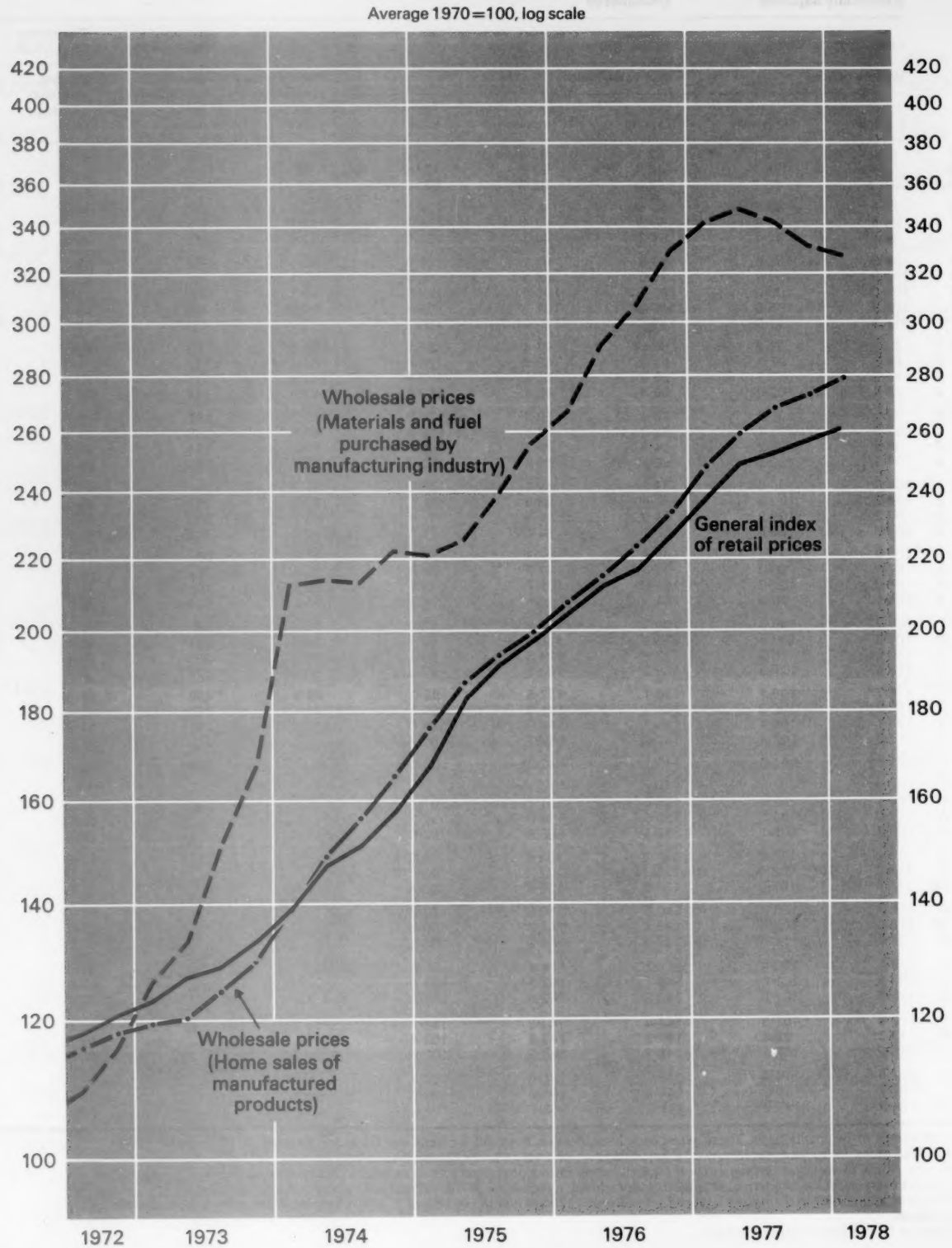
[1] Quarterly average of monthly figures.

Prices

Unadjusted

	Average 1970=100										Average 1970=100 p
	Wholesale prices index		General index of retail prices						Pensioner price index[1]		
	Materials and fuel purchased by manufacturing industry[2]	Output All manufactured products Home sales[3]	All items Index	All items *Percentage increase on year earlier*	Total food	Total non-food	All items other than seasonal food Index	All items other than seasonal food *Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1967	83·8	86·5	85·2	*2·5*	84·6	85·4	85·2	*2·4*	84·9	85·0	117
1968	91·5	89·9	89·2	*4·7*	87·9	89·6	89·3	*4·8*	88·8	88·8	112
1969	95·0	93·4	94·0	*5·4*	93·5	94·2	93·9	*5·2*	93·5	93·7	106
1970	100·0	100·0	100·0	*6·4*	100·0	100·0	100·0	*6·5*	100·0	100·0	100
1971	104·6	109·0	109·4	*9·4*	111·1	108·9	109·5	*9·5*	110·1	109·9	91
1972	109·2	114·8	117·2	*7·1*	120·9	116·0	117·0	*6·9*	118·5	118·0	85
1973	144·5	123·2	128·0	*9·2*	139·1	124·4	126·7	*8·3*	130·0	130·1	78
1974	215·3	152·0	148·5	*16·1*	164·2	143·4	147·0	*16·0*	150·9	151·1	67
1975	235·4	188·7	184·4	*24·2*	206·1	177·5	182·6	*24·2*	189·8	189·4	54
1976	299·0	219·6	215·0	*16·5*	247·4	205·1	211·4	*15·8*	226·2	225·0	47
1977			249·0	*15·8*	294·4	253·6	245·2	*16·0*	264·2	262·7	40
1972 *1*	105·6	112·1	113·9	*8·0*	117·8	112·6	113·9	*7·9*	115·9	115·3	88
2	106·1	113·5	116·0	*6·2*	119·0	115·0	115·9	*6·3*	117·3	116·7	86
3	109·4	115·6	118·0	*6·5*	122·3	116·5	117·8	*6·2*	119·1	118·8	85
4	115·6	118·0	120·8	*7·7*	124·7	119·6	120·7	*7·4*	122·0	121·4	83
1973 *1*	126·0	119·5	123·0	*8·0*	131·1	120·3	122·2	*7·3*	125·0	124·9	81
2	133·3	120·1	126·9	*9·3*	137·4	123·5	125·2	*8·1*	129·0	129·1	79
3	150·9	124·2	128·8	*9·2*	139·8	125·3	127·7	*8·5*	130·2	130·4	78
4	167·6	129·1	133·2	*10·3*	148·1	128·5	131·8	*9·2*	135·7	135·9	75
1974 *1*	212·5	138·3	138·8	*12·9*	156·2	133·3	137·2	*12·3*	142·2	142·2	72
2	213·7	148·9	147·0	*15·9*	161·7	142·2	145·3	*16·0*	148·0	148·8	68
3	212·9	156·1	150·7	*17·0*	164·5	146·1	149·4	*17·0*	152·7	152·9	66
4	222·1	164·9	157·5	*18·2*	174·3	152·0	156·1	*18·5*	160·7	160·5	64
1975 *1*	220·9	176·0	167·0	*20·3*	188·5	160·2	165·6	*20·7*	170·6	170·3	60
2	225·6	186·3	182·7	*24·3*	205·9	175·4	180·7	*24·4*	188·9	188·5	55
3	239·3	193·4	190·7	*26·5*	211·3	184·0	188·7	*26·3*	195·8	195·7	52
4	256·1	199·1	197·3	*25·3*	218·7	190·3	195·2	*25·0*	203·9	203·1	51
1976 *1*	266·5	206·9	204·5	*22·5*	234·2	195·3	200·9	*21·3*	214·3	213·2	49
2	292·6	214·4	211·9	*16·0*	242·6	202·6	207·9	*15·1*	222·7	221·3	47
3	306·8	223·2	216·8	*13·7*	245·5	207·8	214·0	*13·4*	227·0	225·8	46
4	329·9	233·9	226·8	*15·0*	267·1	214·7	222·6	*14·0*	240·9	239·5	44
1977 *1*	341·5	248·0	238·2	*16·5*	285·7	224·3	233·1	*16·1*	251·8	251·7	42
2	347·7	259·2	248·8	*17·4*	295·5	235·0	243·9	*17·3*	262·9	262·2	40
3	340·5	267·7	252·7	*16·5*	297·2	239·6	249·8	*16·7*	268·8	266·5	40
4	330·6	272·1	256·4	*13·0*	299·0	243·7	254·2	*14·2*	273·2	270·6	39
1978 *1*									277·8	275·5	
2											
1976 *O*	327·7	230·0	223·7	*14·7*	261·9	212·2	219·9	*14·0*	..	..	45
N	331·8	234·6	226·8	*15·0*	267·1	214·8	222·6	*14·0*	..	..	44
D	330·2	237·2	229·8	*15·1*	272·4	217·2	225·3	*14·2*			44
1977 *J*	337·8	244·9	235·9	*16·6*	283·2	222·0	230·9	*15·8*	..	..	42
F	339·5	248·2	238·2	*16·2*	285·4	224·4	233·0	*15·8*	..	..	42
M	347·2	250·8	240·5	*16·7*	288·4	226·4	235·4	*16·6*	..	..	42
A	349·7	255·4	246·6	*17·5*	293·3	232·9	241·4	*17·4*	..	..	41
M	348·3	259·8	248·6	*17·1*	293·7	235·1	243·9	*17·1*	..	..	40
J	345·2	262·4	251·1	*17·4*	299·6	237·1	246·4	*17·3*	..	..	40
J	344·5	265·8	251·4	*17·6*	297·0	238·1	247·9	*17·0*	..	..	40
A	338·8	268·1	252·7	*16·5*	296·8	239·6	249·8	*16·7*	..	..	40
S	338·1	269·2	254·1	*15·6*	297·7	241·1	251·6	*16·4*	..	..	39
O	333·8	271·0	255·1	*14·1*	297·4	242·5	253·0	*15·0*	..	..	39
N	329·9	272·0	256·3	*13·0*	288·4	243·8	254·3	*14·2*	..	..	39
D	328·0	273·3	257·8	*12·1*	301·3	244·7	255·3	*13·3*	..	..	39
1978 *J*	324·9	277·0	259·3	*9·9*	303·3	246·0	256·9	*11·3*			39
F	324·1†	279·2[5]	260·8	*9·5*	305·1	247·6	258·6	*11·0*			38
M	330·7	280·4[5]	262·4	*9·1*	306·9	249·0	259·9	*10·4*			38

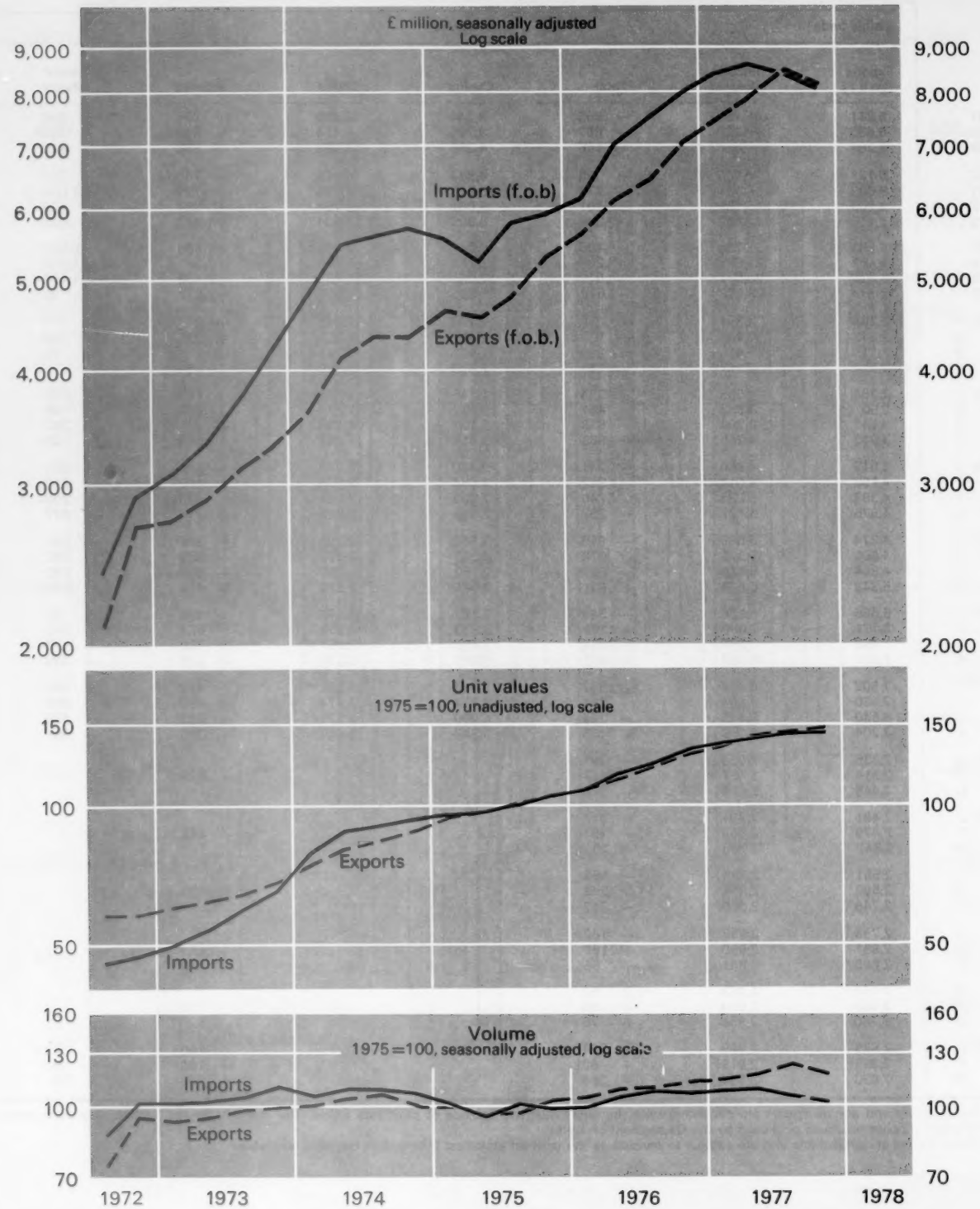
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.
[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.
[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1970=100, log scale
420
400
380
360
340
320
300
280
260
240
220
200
180
160
140
120
100
Wholesale prices (Materials and fuel purchased by manufacturing industry)
General index of retail prices
Wholesale prices (Home sales of manufactured products)
1972
1973
1974
1975
1976
1977
1978

Visible trade

	Seasonally adjusted		Unadjusted					
	1975=100		1975=100				1970=100	December 1971=100
	Volume indices[1]		Unit value indices[1]			Export price competitiveness index[3]	World commodity prices index[4]	Sterling effective exchange rate
	Exports	Imports	Exports	Imports	Terms of trade[2]			
1967	61·7	68·1	42·1	33·6	125·3	104·1	80	..
1968	69·4	75·1	45·5	37·6	121·0	98·1	91	..
1969	76·2	75·7	47·0	38·8	121·1	98·0[5]	96	..
1970	79·5	80·2	50·5	40·6	124·4	100·0	100	..
1971	84·6	83·3	53·3	42·4	125·7	102·2	105	..
1972	84·5	92·4	56·3	44·7	126·0	102·6	116	95·2
1973	96·8	105·6	63·3	57·1	110·9	94·1	168	86·3
1974	103·9	107·9	81·8	88·5	92·4	93·1	295	83·6
1975	100·0	100·0	100·0	100·0	100·0	96·5	300	77·2
1976	109·9	105·5	120·6	121·9	98·9	94·9[6]	385	65·4
1977	118·9	107·0	142·4	141·4†	100·7		431[7]	62·1
1972 *1*	82·9	88·2	55·6	43·4	128·1	105·8	109	99·6
2	84·8	92·4	56·3	43·8	128·5	105·4	110	99·0
3	74·8	87·1	58·0	45·8	126·6	101·6	119	92·1
4	95·4	102·0	58·4	47·5	122·9	97·8	127	90·2
1973 *1*	93·1	101·9	60·4	50·3	120·1	97·3	141	88·8
2	95·2	103·4	62·3	54·1	115·2	97·8	153	89·3
3	98·8	106·3	64·9	60·1	108·0	91·2	174	84·2
4	100·1	110·6	68·1	65·9	103·3	90·7	205	83·0
1974 *1*	100·7	106·5	74·8	79·3	94·3	91·2	298	83·1
2	105·9	109·5	81·0	88·9	91·1	93·5	287	84·7
3	107·2	108·9	84·9	91·5	92·8	93·7	292	84·2
4	102·0	106·8	89·1	94·1	94·7	93·8	303	82·6
1975 *1*	100·9	101·5	95·4	97·3	98·0	93·9	287	81·7
2	97·0	96·0	97·7	97·9	99·8	95·5	284	79·1
3	98·0	102·6	101·8	101·7	100·1	96·7	306	75·2
4	104·1	99·9	105·9	106·6	99·3	97·8	324	73·0
1976 *1*	106·2	100·3	109·7	109·9	99·8	99·3	338	72·0
2	109·9	106·0	115·9	118·4	97·9	94·4	381	65·8
3	110·0	108·3	122·9	124·5	98·7	95·2	395	64·1
4	113·5	107·3	130·2	133·8	97·3	90·6†	423	59·6
1977 *1*	115·7	109·1	136·1	137·5	99·0	96·9	439	61·8
2	118·0	109·8	141·7	141·3	100·3	98·1	447	61·6
3	124·1	106·4	145·5	144·0	101·0	100·0[6]	431†	61·8
4	117·9	102·6	147·6	144·2	102·4		412[6]	63·3
1978 *1*	121·1[6]	114·0[6]	149·1[6]	142·0[6]	105·0[6]		395[7]	65·4
2								
1976 *O*	114·1	107·1	127·5	131·2	97·2	..	..	59·2
N	111·0	109·7	130·5	134·3	97·2	..	..	59·1
D	115·3	105·1	132·5	135·8	97·6	..	..	60·5
1977 *J*	115·2	116·9	134·8	135·8	99·3	..	..	61·8
F	115·2	103·4	135·9	137·2	99·1	..	..	61·7
M	116·5	107·0	137·5	139·7	98·4	..	..	61·9
A	116·2	105·3	140·2	140·5	99·8	..	..	61·7
M	116·0	109·6	142·1	141·1	100·7	..	..	61·6
J	121·9	114·5	142·9	142·3	100·4	..	..	61·5
J	123·1	110·4	144·2	144·4	99·9	..	..	61·0
A	123·4	101·3	146·1	143·9	101·5	..	..	62·0
S	125·9	107·5	146·3	143·9	101·7	..	..	62·4
O	119·4	101·3	147·4	144·9	101·7	..	..	62·5
N	115·3	98·4	147·2	143·8	102·4	..	..	63·6
D	118·9	108·1	148·3	143·8	103·1	..	..	63·8
1978 *J*	112·6	114·4	149·1	141·4	105·4	..	..	66·0
F	128·7	110·7	148·5	141·8	104·7	..	..	66·0
M	121·9[6]	117·0[6]	149·6[6]	142·7[6]	104·8[6]			64·1

[1] On a balance of payments basis. These series have been revised. For further details see *Trade and Industry* of 10 February 1978.
[2] Unit value index for exports expressed as a percentage of unit value index for imports.
[3] The ratio of UK to weighted average export (dollar) prices for major competitors in respect of manufactured goods.
[4] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.
[5] Differences in quarterly and annual averages for 1969 and 1970 are due to the effects of adjusting the UK series for export over-valuation.
[6] Provisional.
[7] Projection by the Department of Industry.


£ million, seasonally adjusted
Log scale
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
Imports (f.o.b)
Exports (f.o.b.)
Unit values
1975=100, unadjusted, log scale
150
100
50
Exports
Imports
Volume
1975=100, seasonally adjusted, log scale
160
130
100
70
Imports
Exports
1972
1973
1974
1975
1976
1977
1978

Balance of payments: current account

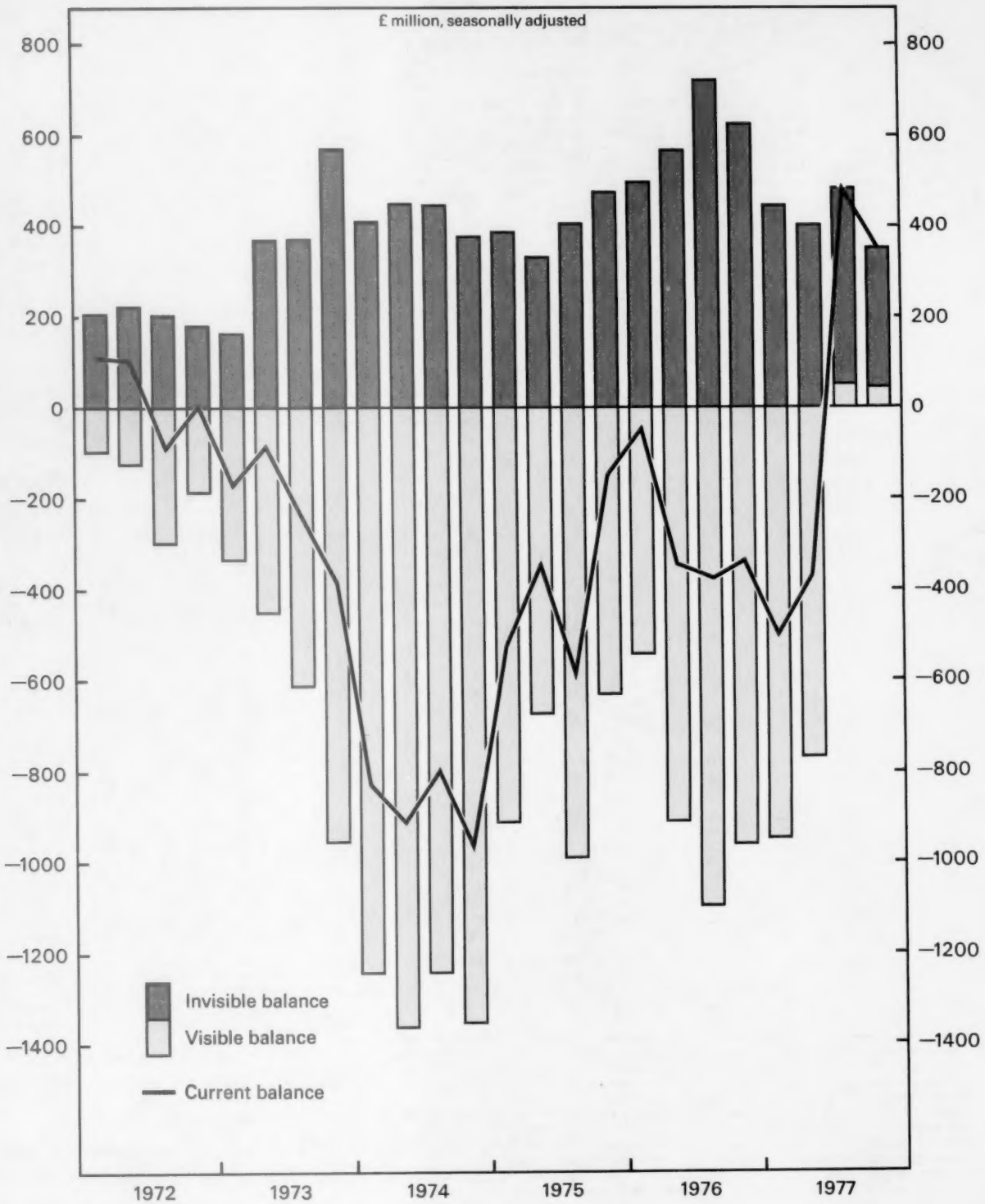
Seasonally adjusted

£ million

	Visible trade[1]			Invisibles			
	Exports (f.o.b.) §	Imports (f.o.b.) §	Total	Credits	Debits	Balance	Current balance
1967	5,241	5,796	− 555	3,244	2,989	+ 255	− 300
1968	6,433	7,100	− 667	3,794	3,414	+ 380	− 287
1969	7,269	7,425	− 156	4,295	3,699	+ 596	+ 440
1970	8,121	8,146	− 25	4,983	4,248	+ 735	+ 710
1971	9,060	8,781	+ 279	5,531	4,736	+ 795	+1,074
1972	9,450	10,151	− 701	6,081	5,254	+ 827	+ 126
1973	12,115	14,469	−2,354	8,305	6,834	+1,471	− 883
1974	16,539	21,734	−5,195	10,041	8,361	+1,680	−3,515
1975	19,462	22,667	−3,205	11,141	9,550	+1,591	−1,614
1976	25,422	28,932	−3,510	14,088	11,685	+2,403	−1,107
1977	32,176	33,788	−1,612	15,596	14,019	+1,577	− 35
1972 *1*	2,258	2,356	− 98	1,459	1,249	+ 210	+ 112
2	2,343	2,465	− 122	1,493	1,267	+ 226	+ 104
3	2,115	2,413	− 298	1,551	1,345	+ 206	− 92
4	2,734	2,917	− 183	1,578	1,393	+ 185	+ 2
1973 *1*	2,754	3,088	− 334	1,745	1,581	+ 164	− 170
2	2,901	3,353	− 452	2,037	1,670	+ 367	− 85
3	3,147	3,760	− 613	2,107	1,736	+ 371	− 242
4	3,313	4,268	− 955	2,416	1,847	+ 569	− 386
1974 *1*	3,619	4,860	−1,241	2,430	2,019	+ 411	− 830
2	4,152	5,514	−1,362	2,484	2,035	+ 449	− 913
3	4,393	5,633	−1,240	2,529	2,084	+ 445	− 795
4	4,375	5,727	−1,352	2,598	2,223	+ 375	− 977
1975 *1*	4,674	5,586	− 912	2,666	2,281	+ 385	− 527
2	4,601	5,271	− 670	2,707	2,379	+ 328	− 342
3	4,844	5,836	− 992	2,782	2,380	+ 402	− 590
4	5,343	5,974	− 631	2,986	2,510	+ 476	− 155
1976 *1*	5,655	6,198	− 543	3,167	2,671	+ 496	− 47
2	6,171	7,080	− 909	3,373	2,809	+ 564	− 345
3	6,499	7,596	−1,097	3,687	2,967	+ 720	− 377
4	7,097	8,058	− 961	3,861	3,238	+ 623	− 338
1977 *1*	7,502	8,449	− 947	3,773	3,331	+ 442	− 505
2	7,930	8,694	− 764	3,874	3,474	+ 400	− 364
3	8,540	8,486	+ 54	4,000	3,571	+ 429	+ 483
4	8,204	8,159	+ 45	3,949	3,643	+ 306	+ 351
1976 *O*	2,335	2,626	− 291	..	..		..
N	2,314	2,757	− 443	..	..	+ 623	..
D	2,448	2,675	− 227	..	..		..
1977 *J*	2,481	2,991	− 510	..	..		..
F	2,479	2,663	− 184	..	..	+ 442	..
M	2,542	2,795	− 253	..	..		..
A	2,591	2,759	− 168	..	..		..
M	2,590	2,869	− 279	..	..	+ 400	..
J	2,749	3,066	− 317	..	..		..
J	2,793	2,955	− 162	..	..		..
A	2,851	2,690	+ 161	..	..	+ 429	..
S	2,896	2,841	+ 55	..	..		..
O	2,756	2,703	+ 53	..	..		..
N	2,668	2,600	+ 68	..	..	+ 306	..
D	2,780	2,856	− 76	..	..		..
1978 *J*	2,625	2,959	− 334	..	..	+ 100[2]	− 234
F	2,999†	2,919†	+ 80†			+ 100[2]	+ 180†
M	2,830	3,094	− 264			+ 100[2]	− 164

[1] The quarterly and annual figures are consistent with the latest quarterly balance of payments article. The monthly figures, which may incorporate subsequent revisions are as published by the Department of Trade.

[2] These figures are projections and are subject to revision as the relevant statistical information becomes available.


£ million, seasonally adjusted
800
600
400
200
0
−200
−400
−600
−800
−1000
−1200
−1400
Invisible balance
Visible balance
Current balance
1972
1973
1974
1975
1976
1977

Analysis of capital transactions and official financing [1]

£ million

Not seasonally adjusted

	Investment and other capital transactions									Official financing	
	Current balance	Official long-term capital	Overseas investment in UK public sector [2]	Private sector investment (net)	Overseas currency borrowing or lending (net) by UK banks [2]	Change in external sterling liabilities	Trade credit [3] and other short-term transactions	Balancing item and other capital transactions [4]	Balance for official financing [5]	Allocation of SDR and gold subscription to IMF	Drawings on (+)/ additions to (−) official reserves [6]	Other transactions (net) [7]
1967	− 300	− 59	+ 54	− 96	+ 36	− 286	−146	+126	− 671	—	+ 115	+ 556
1968	− 287	+ 16	+ 16	− 160	− 15	− 308	−305	−367	−1,410	—	+ 114	+1,296
1969	+ 440	− 99	− 56	− 6	− 38	+ 261	−227	+412	+ 687	—	− 44	− 643
1970	+ 710	−205	− 10	+ 49	+472	+ 459	−193	+ 5	+1,287	+133	− 125	−1,295
1971	+1,074	−274	+107	+ 216	+471	+1,422	−126	+256	+3,146	+125	−1,536	−1,735
1972	+ 126	−255	+120	− 610	+471	+ 196	−610	−703	−1,265	+124	+ 692	+ 449
1973	− 883	−254	+175	− 196	+525	+ 154	−355	+ 63	− 771	—	− 228	+ 999
1974	−3,515	−276	+252	+1,129	−294	+1,558	−685	+185	−1,646	—	− 105	+1,751
1975	−1,614	−288	+ 43	+ 336	+235	− 67	− 56	− 54	−1,465	—	+ 655	+ 810
1976	−1,107	−158	+203	− 92	−106	−1,152	−1,501	+285	−3,628	—	+ 853	+2,775
1977	− 35	−302	+2,179	+1,219	+265	+1,452	− 11	+2,596	+7,363	—	−9,588	+2,225
1969 *1*	− 15	− 29	− 31	− 3	+ 14	+ 124	− 27	+239	+ 272	—	− 20	− 252
2	+ 155	− 11	+ 23	− 7	− 21	+ 50	− 99	− 28	+ 62	—	+ 11	− 73
3	+ 146	+ 29	− 65	+ 38	− 7	− 60	− 27	−134	− 80	—	+ 4	+ 76
4	+ 154	− 88	+ 17	− 34	− 24	+ 147	− 74	+335	+ 433	—	− 39	− 394
1970 *1*	+ 238	− 48	+ 3	+ 36	+125	+ 283	+ 66	+212	+ 915	+171	− 76	−1,010
2	+ 160	− 38	− 3	+ 123	+123	+ 158	−136	−160	+ 227	—	− 34	− 193
3	+ 79	− 20	− 23	− 84	− 24	+ 3	− 13	−120	− 202	—	+ 52	+ 150
4	+ 233	− 99	+ 13	− 26	+248	+ 15	−110	+ 73	+ 347	− 38	− 67	− 242
1971 *1*	+ 63	− 46	+ 70	+ 132	+ 84	+ 285	+ 70	+264	+ 922	+125	− 204	− 843
2	+ 350	− 44	+ 7	+ 44	+148	+ 277	− 97	− 82	+ 603	—	− 126	− 477
3	+ 379	− 34	+ 5	+ 54	+ 28	+ 337	+ 88	−189	+ 668	—	− 576	− 92
4	+ 282	−150	+ 25	− 14	+211	+ 523	−187	+263	+ 953	—	− 630	− 323
1972 *1*	− 16	− 42	+ 65	− 191	+114	+ 211	−164	+ 80	+ 57	+124	− 191	+ 10
2	+ 231	− 39	+ 22	− 194	−132	− 138	−375	−420	−1,045	—	+ 46	+ 999
3	− 137	− 17	+ 24	− 77	+199	− 92	− 47	+ 68	− 79	—	+ 639	− 560
4	+ 48	−157	+ 9	− 148	+290	+ 215	− 24	−431	− 198	—	+ 198	—
1973 *1*	− 329	− 55	+ 44	− 17	+ 1	+ 170	− 63	+276	+ 27	—	− 72	+ 45
2	− 2	− 31	+ 20	+ 30	+152	+ 166	+ 18	−254	+ 99	—	− 380	+ 281
3	− 220	− 27	+ 21	− 51	+ 36	− 415	−200	+238	− 618	—	+ 254	+ 364
4	− 332	−141	+ 90	− 158	+336	+ 233	−110	−197	− 279	—	− 30	+ 309
1974 *1*	− 895	− 52	+ 32	+ 564	− 61	+ 179	−150	+ 44	− 339	—	+ 33	+ 303
2	− 884	− 42	+107	+ 299	+ 56	+ 386	− 92	−149	− 319	—	− 116	+ 435
3	− 840	− 15	+ 30	+ 356	−346	+ 616	−109	+308	—	—	− 189	+ 189
4	− 896	−167	+ 83	− 90	+ 57	+ 377	−334	− 18	− 988	—	+ 167	+ 821
1975 *1*	− 620	− 73	+ 66	− 43	− 80	+ 247	− 32	+209	− 326	—	− 142	+ 468
2	− 359	− 39	—	− 337	+772	− 17	−264	−328	− 572	—	+ 410	+ 162
3	− 577	− 26	− 52	+ 566	− 15	− 379	+183	+ 87	− 213	—	+ 170	+ 43
4	− 58	−150	+ 29	+ 150	−442	+ 82	+ 57	− 22	− 354	—	+ 217	+ 137
1976 *1*	− 96	− 37	+ 9	+ 149	+ 94	− 75	−684	− 38	− 678	—	− 178	+ 856
2	− 335	− 26	+ 13	− 245	− 86	− 932	−550	+206	−1,955	—	+ 354	+1,601
3	− 335	− 10	+ 58	+ 64	−272	− 137	−222	− 8	− 862	—	+ 61	+ 801
4	− 341	− 85	+123	− 60	+158	− 8	− 45	+125	− 133	—	+ 616	− 483
1977 *1*	− 530	− 24	+498	+ 382	+421	+ 389	+253	+524	+1,913	—	−3,197	+1,284
2	− 336	− 16	+921	+ 147	−706	− 48	+ 14	+932	+ 908	—	−1,158	+ 250
3	+ 455	− 17	+291	+ 524	+184	+ 397	−235	+1,011	+2,610	—	−3,227	+ 617
4	+ 376	−245	+469	+ 166	+366	+ 714	− 43	+129	+1,932	—	−2,006	+ 74

[1] More comprehensive analyses are given in the appendix tables to the balance of payments articles in the March, June, September and December issues

[2] Excluding public sector borrowing under the exchange cover scheme which is included under official financing.

[3] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.

[4] Capital transfers and EEA loss on forward commitments.

[5] Balance of current and capital transactions, including unidentified transactions covered by official financing other than that relating to IMF gold subscriptions and the allocation of SDRs.

[6] From 23 August 1971, valued in sterling at market-related rates of exchange. From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.

[7] Includes net transactions with overseas monetary authorities and other foreign currency borrowing by HM Government and by the public sector under the exchange cover scheme; in 1966 and 1967 includes the transfer from dollar portfolio to reserves.

£ million, unadjusted
2,500
2,000
1,500
1,000
500
0
−500
−1000
−1500
−2000
Balance for official financing
Current balance
1972
1973
1974
1975
1976
1977

Money stock

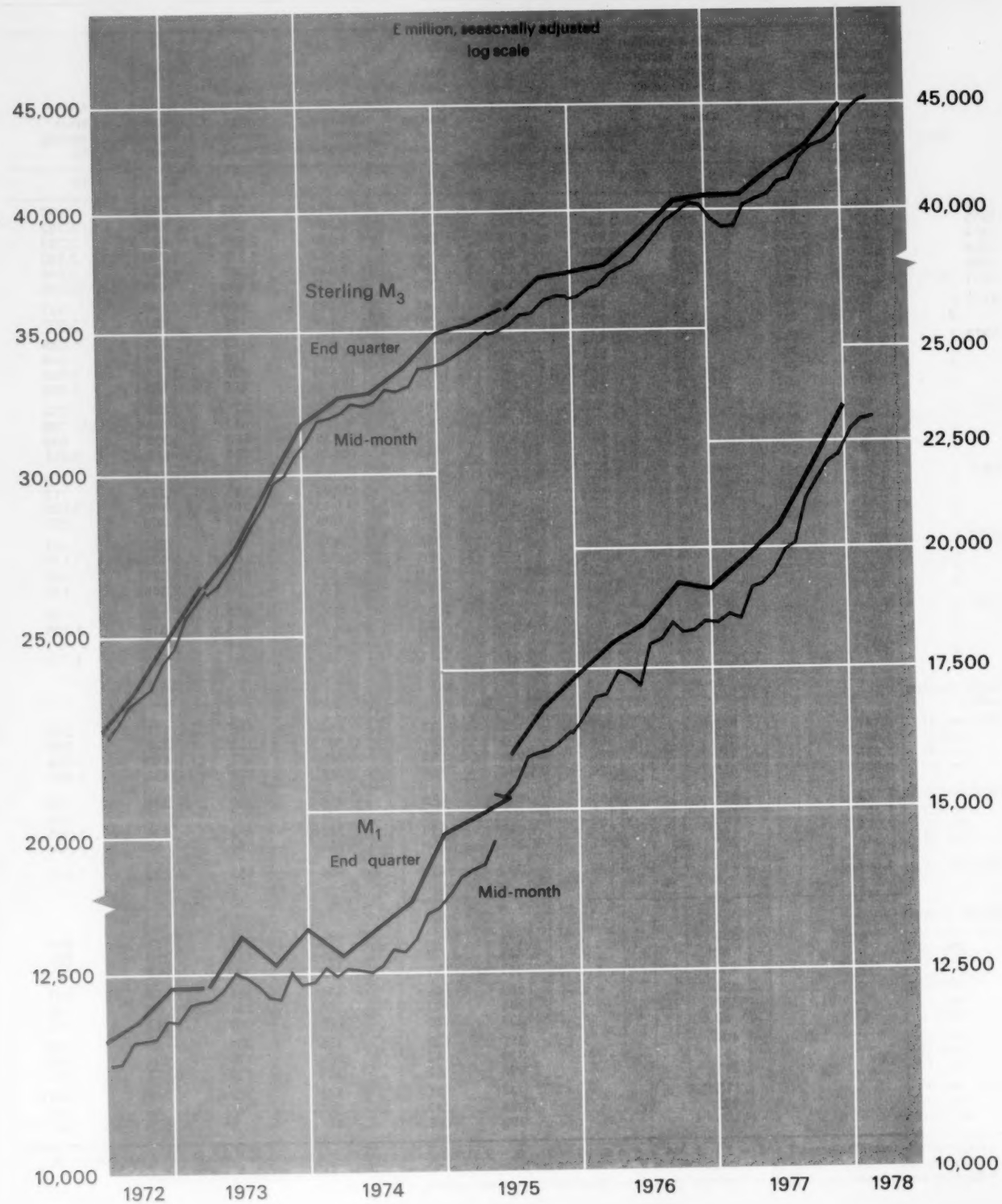
	£ million: amounts outstanding											
	M_1			Sterling M_3			M_3			Velocity of circulation[1]		
	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change*	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change*	M_1	Sterling M_3	M_3
At end period												
1971 *1*	9,880	412	*+4·4*	18,050†	727†	*+4·2*	18,540	707	*+4·0*	5·600†	3·063†	2·979†
2	9,980	94	*+1·0*	18,340	297	*+1·6*	18,850	315	*+1·7*	5·715	3·119	3·036
3	10,270	295	*+3·0*	18,740	403	*+2·2*	19,260	408	*+2·2*	5·839	3·189	3·103
4[2]	10,380 / 10,780	110	*+1·1*	19,620	884	*+4·7*	20,050	792	*+4·1*	5·774	3·138	3·063
1972 *1*[3]	11,190 / 11,240	407	*+3·8*	20,620 / 21,030	1,005	*+5·1*	21,150 / 21,560	1,104	*+5·5*	5·569	3·001	2·932
2	11,690	457	*+4·1*	22,490	1,472	*+7·0*	23,100	1,555	*+7·2*	5·483	2·899	2·825
3	11,830	133	*+1·1*	23,430	937	*+4·2*	24,080	976	*+4·2*	5·440	2·787	2·712
4	12,330	507	*+4·3*	24,930	1,500	*+6·4*	25,730	1,651	*+6·9*	5·551	2·773	2·692
1973 *1*[3]	12,340 / 12,340	− 10	*−0·1*	26,300 / 26,210	1,368	*+5·5*	27,300 / 27,310	1,565	*+6·1*	5·860	2·824	2·726
2	13,110	772	*+6·3*	27,550	1,349	*+5·1*	28,620	1,322	*+4·8*	5·637	2·666	2·565
3	12,540	−562	*−4·3*	29,490	1,936	*+7·0*	30,810	2,184	*+7·6*	5·797	2·607	2·502
4	13,140	610	*+4·9*	31,700	2,206	*+7·5*	33,130	2,318	*+7·5*	5·914	2·482	2·375
1974 *1*	12,760	−359	*−2·7*	32,480	790	*+2·5*	34,260	1,131	*+3·4*	5·841	2·357	2·245
2	13,100	342	*+2·7*	32,670	186	*+0·6*	34,850	593	*+1·7*	6·247	2·480	2·338
3	13,500	389	*+3·0*	33,500	825	*+2·5*	36,000	1,145	*+3·3*	6·611	2·658	2·482
4	14,580	1,065	*+7·9*	34,970	1,454	*+4·3*	37,370	1,352	*+3·8*	6·362	2·609	2·435
1975 *1*	14,890	293	*+2·0*	35,200	219	*+0·6*	37,720	340	*+0·9*	6·494	2·728	2·549
2[4]	15,260 / 15,990	364	*+2·4*	35,910 / 35,890	712	*+2·0*	38,260 / 38,250	544	*+1·4*	6·677	2·866	2·682
3	16,790	793	*+5·0*	37,080	1,192	*+3·3*	39,880	1,629	*+4·3*	6·590	2·927	2·734
4[5]	17,350	565	*+3·4*	37,270	207	*+0·6*	40,240	389	*+1·0*	6·571	3·017	2·800
1976 *1*	17,960	614	*+3·5*	37,700	462	*+1·2*	40,850	634	*+1·6*	6·648	3·131	2·895
2	18,400	439	*+2·4*	38,880	1,178	*+3·1*	42,440	1,593	*+3·9*	6·622	3·144	2·891
3	19,220	821	*+4·5*	40,450	1,586	*+4·1*	44,490	2,063	*+4·9*	6·690	3·173	2·895
4	19,140	− 78	*−0·4*	40,580	149	*+0·4*	44,550	− 71	*+0·2*	6·803	3·221	2·931
1977 *1*	19,750	610	*+3·2*	40,640	76	*+0·2*	44,910	384	*+0·9*	6·842†	3·276	2·974
2	20,490	741	*+3·8*	41,940	1,308	*+3·2*	46,490	1,581	*+3·5*	6·822	3·324	3·003
3	21,860	1,373	*+6·7*	42,860	917	*+2·2*	47,200	713	*+1·5*	6·802	3·397	3·075
4	23,330	1,466	*+6·7*	44,660	1,795	*+4·2*	48,760	1,557	*+3·3*	6·418	3·314	3·022
At mid-month												
1976 *O*	18,190	−196	*−1·1*	39,900	459	*+1·2*	43,810	646	*+1·5*	..	..	..
N	18,250	58	*+0·3*	40,320	429	*+1·1*	44,150	339	*+0·8*	..	..	..
D	18,430	180	*+1·0*	40,170	−159	*−0·4*	43,820	− 325	*−0·7*	..	..	..
1977 *J*	18,400	− 2	—	39,640	−510	*−1·3*	43,370	− 439	*−1·0*	..	..	..
F	18,530	134	*+0·7*	39,220	−416	*−1·0*	43,090	− 271	*−0·6*	..	..	..
M	18,490	− 35	*−0·2*	39,260	43	*+0·1*	43,090	5	—	..	..	..
A	19,150	667	*+3·6*	40,140	899	*+2·3*	44,340	1,263	*+2·9*	..	..	..
M	19,200	64	*+0·3*	40,380	253	*+0·6*	44,640	312	*+0·7*	..	..	..
J	19,460	263	*+1·4*	40,680	303	*+0·8*	44,910	274	*+0·6*	..	..	..
J	19,970	518	*+2·7*	41,190	507	*+1·2*	45,350	439	*+1·0*	..	..	..
A	20,080	109	*+0·5*	41,250	59	*+0·1*	45,410	63	*+0·1*	..	..	..
S	21,040	960	*+4·8*	42,120	868	*+2·1*	46,330	923	*+2·0*	..	..	..
O	21,550	509	*+2·4*	42,840	729	*+1·7*	46,820	492	*+1·1*	..	..	..
N	21,900	349	*+1·6*	43,130	284	*+0·7*	46,860	30	*+0·1*	..	..	..
D	22,080	176	*+0·8*	43,530	401	*+0·9*	47,200	340	*+0·7*	..	..	..
1978 *J*	22,760	681	*+3·1*	44,470†	941†	*+2·2†*	48,160†	960†	*+2·0†*	..	..	..
F	23,010	251	*+1·1*	44,980	506	*+1·1*	48,750	590	*+1·2*	..	..	..
M	23,100	87	*+0·4*	45,200	221	*+0·5*	49·240	497	*+1·0*			

[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/sterling M_3/M_3 seasonally adjusted.

[2] The break in the series M_1 between September and December 1971 reflects additional statistical information.

[3] The breaks in the series at end-March 1972 and end-March 1973 show, in each case, the effects of changes in contributors.

[4] At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates. [5] The amounts outstanding at end-December 1975, are shown after the exclusion of one contributor to the series, but the effect on the figures is very small. The changes have been adjusted to exclude the effect of the reduction in the number of contributors.


£ million, seasonally adjusted
log scale
45,000
40,000
35,000
30,000
25,000
20,000
12,500
10,000
Sterling M3
End quarter
Mid-month
M1
End quarter
Mid-month
45,000
40,000
25,000
22,500
20,000
17,500
15,000
12,500
10,000
1972
1973
1974
1975
1976
1977
1978

Domestic credit expansion and money stock

Seasonally adjusted[1]

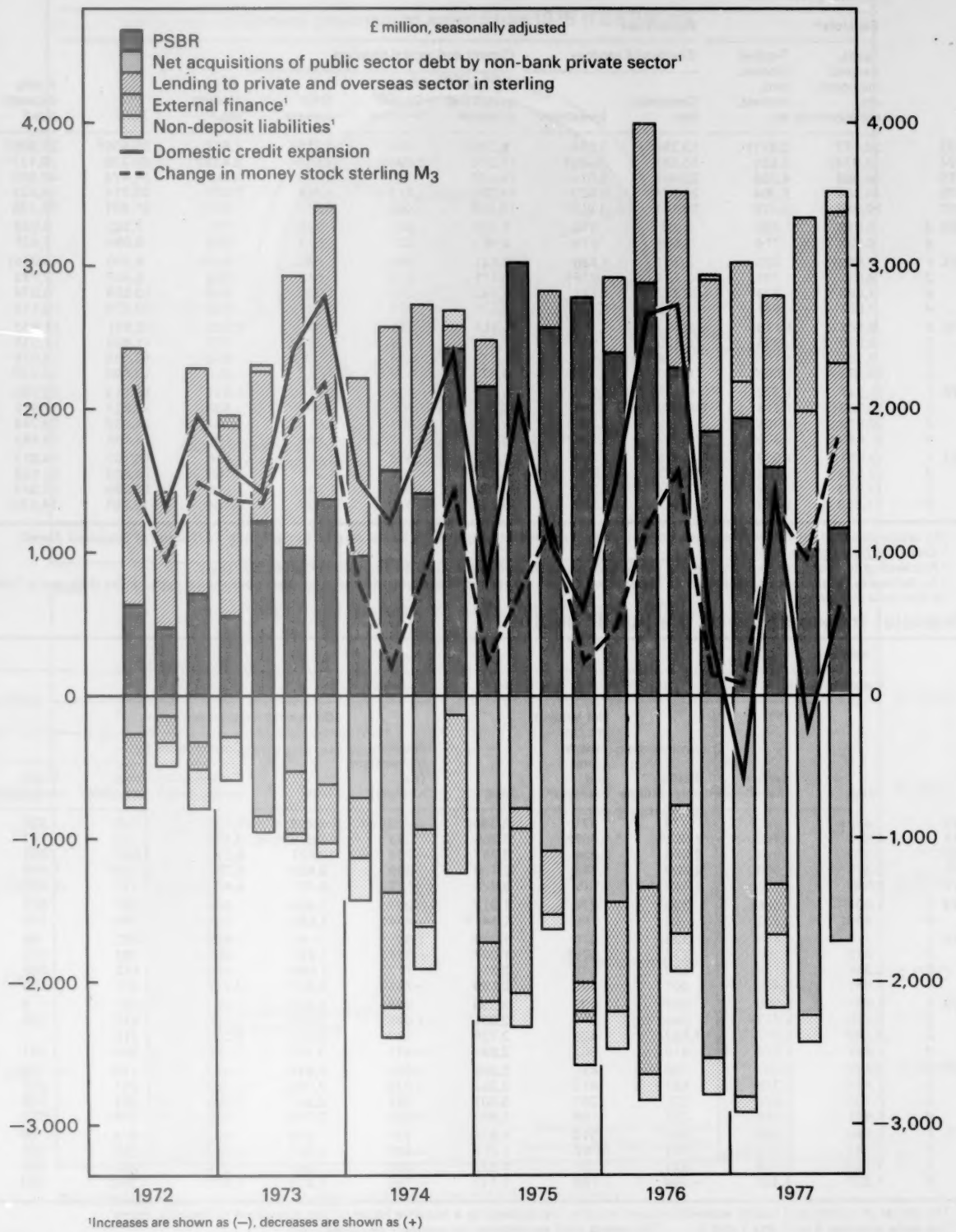
£ million

	Public sector borrowing requirement		Net acquisition of public sector debt by the non-bank private sector		Sterling lending to the private sector[2]	Bank lending in sterling to overseas	Domestic credit expansion	External and foreign currency finance	Non-deposit liabilities (net)	Money stock sterling M_3
	Central government	Other public sector	Other public sector	Central government						
	1	2	3	4	5	6	7	8	9	10
1972	1,596	438	230	776	5,510	136	6,674	1,095	652	4,927
1973	2,321	1,874	891	1,401	5,972	189	8,064	879	485	6,702
1974	3,491	2,882	2,309	852	3,435	289	6,936	2,999	682	3,255
1975	8,376	2,144	263	5,346	— 384	— 65	4,462	1,372	760	2,330
1976	6,786	2,623	470	5,613	3,463	650	7,439	2,907	967	3,565
1977	4,463	1,238	442	7,668	3,195	374	1,174	—3,590	665	4,099
1972 *3*	505	— 24	18	121	905	46	1,293	187	169	937
4	577	131	126	193	1,536	44	1,969	185	284	1,500
1973 *1*	391	163	157	132	1,460	—124	1,601	— 63	296	1,368
2	1,008	224	315	529	933	90	1,411	108	— 46	1,349
3	205	830	186	348	739	168	2,408	429	43	1,936
4	717	657	231	392	1,997	55	2,803	405	192	2,206
1974 *1*	458	517	605†	107	1,134	105	1,502†	421†	291	790
2	620	956†	734	639	950	45	1,198	812	200	186
3	831	575	455	481	1,305	21	1,796	668	303	825
4	1,582	836	519	— 375	46	118	2,438	1,096	— 112	1,454
1975 *1*	1,259	893	67	1,657	448	—124	752	411	122	219
2	2,390	630	234	557	— 291	148	2,086	1,141	233	712
3	2,615	— 46	— 142	1,233	— 434	2	1,046	— 251	105	1,192
4	2,112	667	98	1,899	— 107	— 91	584	77	300	207
1976 *1*	2,019	377	5	1,436	176	345	1,476	762	252	462
2	2,099	781	224	1,116	852	266	2,658	1,308	172	1,178
3	1,808	479	114	666	1,030	201	2,738	875	277	1,586
4	860	986	129	2,395	1,215	—162	376	— 39	266	149
1977 *1*	1,509	425	530	2,289	352	— 92	— 625	— 809	108	76
2	1,524	66	224	1,097	1,021	183	1,473	— 353	518	1,308
3	253	765	— 99	2,340	792	172	— 259	—1,364	188	917
4	1,177†	— 18	— 213	1,936†	1,041	111	588	—1,058	— 149	1,795
Three months ended										
1976 Jan. 21	2,147		949	2,362	— 182	— 37	515	135	171	209
April 21	1,858		211	598	400	461	2,332	1,108	225	999
July 21	1,865		439	984	991	154	2,465	927	440	1,098
Oct. 20	1,828		415	1,125	1,265	99	2,482	775	120	1,587
1977 Jan. 19	1,172		631	2,869	994	—188	— 260	— 256	236	— 240
April 20	1,351		— 164	1,105	— 122	— 34	— 74	— 675	75	526
July 20	1,070		172†	1,677	1,046	158	769†	— 918†	624	1,063
Oct. 19	541		756	2,381	1,241	208	365	—1,385	94	1,656
1978 Jan. 18	1,501		—113	1,649	792	225	756	— 667	—203	1,626
Month ended										
1977 April 20			558		221	—	779	— 251	131	899
May 18			— 52†		406	— 8	346†	— 126†	219	253
June 15			251		347	111	709	147	259	303
July 20			— 634		293	55	— 286	— 939	146	507
Aug. 17			— 597		394	107	— 96	— 221	66	59
Sept. 21			— 83		236	— 28	125	— 810	67	868
Oct. 19			— 404		611	129	336	— 354	— 39	729
Nov. 16			— 63		320	42	299	— 179	194	284
Dec. 14			— 211		228	92	109	— 139	—153	401
1978 Jan. 18			13		244†	91	348	— 349	—244†	941†
Feb. 15			— 282		369	297	384	— 168	46	506
March 15			— 60		299	198	437	— 9	225	221

Relationship between columns 7 = 1 + 2 − 3 − 4 + 5 + 6; 10 = 7 − 8 − 9 (The figures combined in the bracket are column 2 *less* column 3).

[1] The seasonally adjusted figures do not always add to the calendar year total which is the sum of unadjusted quarterly figures.

[2] Banking sector lending *plus* Bank of England Issue Department holdings of commercial bills.



[1]Increases are shown as (—), decreases are shown as (+)

General government receipts and expenditure[1]

£ million

	General government									
	Receipts[2]		Expenditure							
	Taxes, national insurance, etc. contributions	Trading income, rent, interest, etc.	Goods and services		Current and capital transfers			Net lending, etc.[3]	Total	Public expenditure[4]
			Consumption	Investment	Current grants and subsidies	Capital transfers	Debt interest			
1973	24,177	2,871†	13,269†	3,694	8,230†	980	2,715†	1,617	30,505†	27,895†
1974	29,874†	3,631	16,591	4,405†	11,202	1,093†	3,559	2,429†	39,279	36,127
1975	38,358	4,356	22,908	5,014	14,420	1,199	4,146	3,787	51,474	47,610
1976	44,554	5,304	26,514	5,520	17,029	1,417	5,369	2,465	58,314	53,937
1977	50,982	5,975	29,101	4,826	19,604	1,582	6,474	314	61,901	56,738
1973 *3*	5,818	794	3,351	931	1,956	240	802	102	7,382	6,649
4	6,030	714	3,508	979	2,293	223	673	378	8,054	7,421
1974 *1*	7,580†	930	3,787	1,328	2,581	283†	985	546†	9,510	8,605†
2	6,835	782	3,794	816†	2,461	255	848	433	8,407	7,730
3	7,568	978	4,272	1,141	2,932	273	1,032	908	10,558	9,674
4	7,891	941	4,738	1,120	3,228	282	894	542	10,804	10,118
1975 *1*	9,546	1,113	5,450	1,365	3,348	375	1,121	1,282	12,941	11,840
2	8,970	995	5,420	1,106	3,577	203	786	777	11,869	11,055
3	9,761	1,165	5,858	1,188	3,622	298	1,227	855	13,058	12,025
4	10,081	1,083	6,180	1,355	3,873	323	1,012	853	13,606	12,690
1976 *1*	11,247	1,378	6,367	1,706	4,111	384	1,514	1,031	15,113	13,799
2	10,768	1,216	6,570	1,213	4,246	306	998	493	13,824	12,911
3	10,879	1,405	6,695	1,304	4,238	323	1,615	757	14,932	13,744
4	11,660	1,305	6,882	1,297	4,434	404	1,244	184	14,445	13,483
1977 *1*	13,111	1,538	7,019	1,595	4,762	509	1,836	446	16,167	14,812
2	12,393	1,382	7,303	976	4,837	361	1,317	—186	14,608	13,552
3	12,620	1,708	7,337	1,117	4,869	340	1,784	118	15,565	13,944
4	12,858	1,347	7,442	1,138	5,136	372	1,537	— 64	15,561	14,430

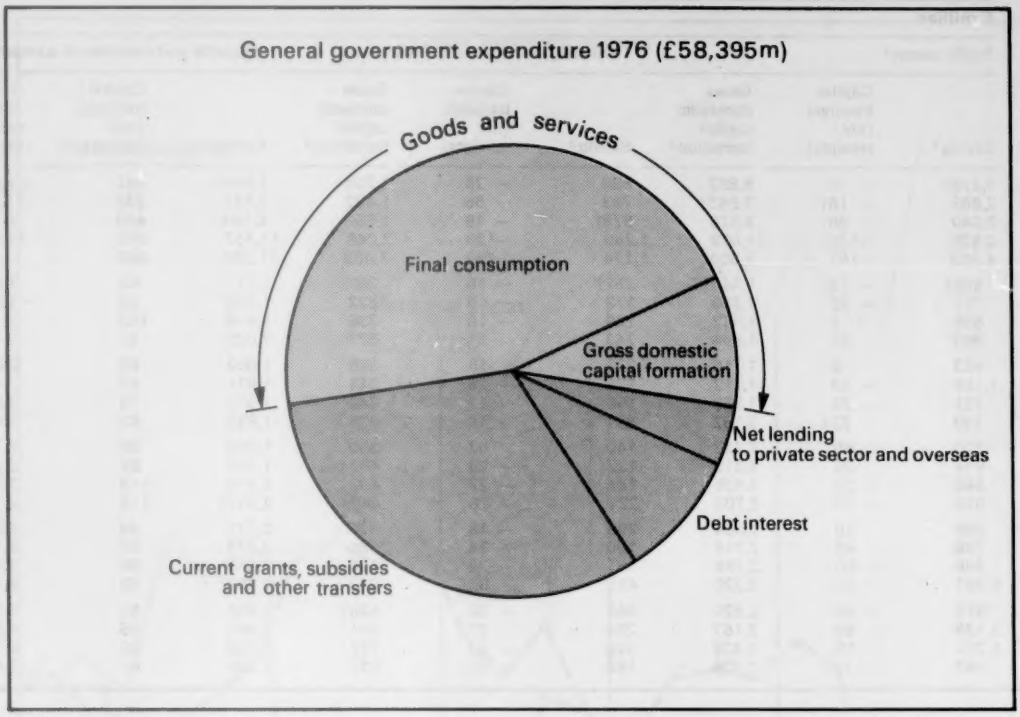
[1] An article describing the new presentation of government income and expenditure was published in the March 1977 issue of *Economic Trends*.
[2] Excluding financial transactions.
[3] Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc. (net).
[4] As defined in the public expenditure White Paper (Cmnd. 7049). A reconciliation with the total of general government expenditure is shown in Table 2·4 of *Financial Statistics*.

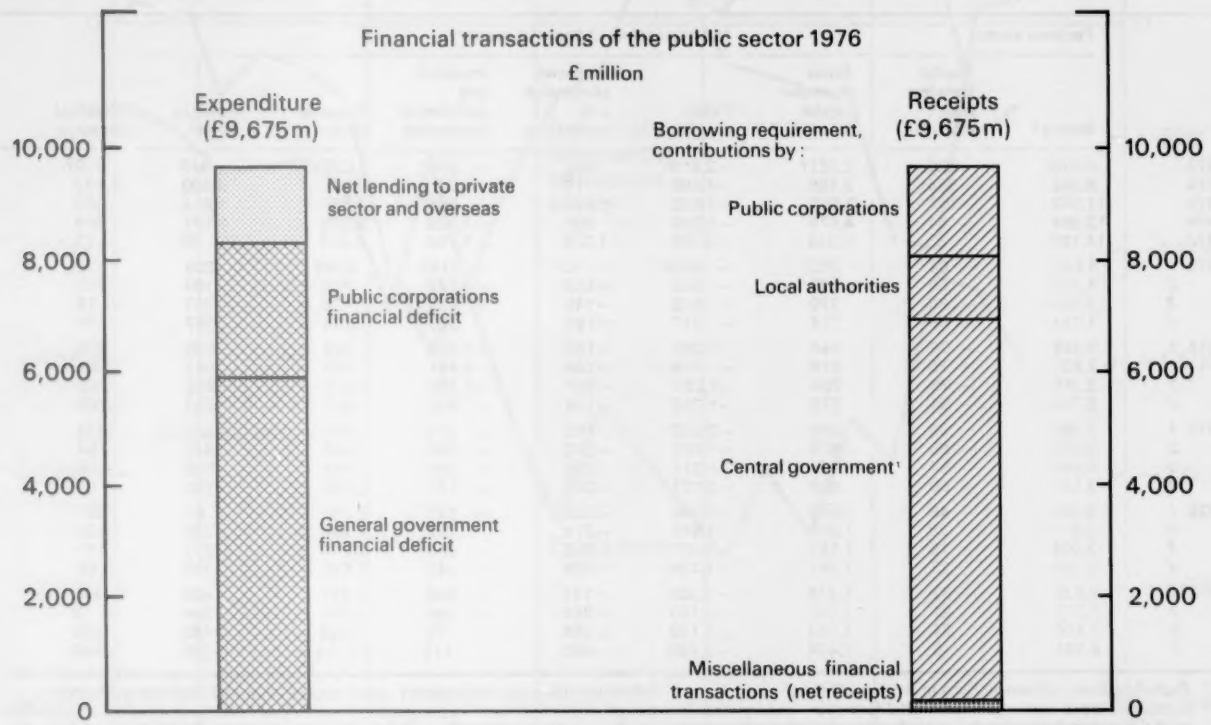
Financial transactions of the public sector

£ million

	Financial deficit[1]				Receipts			
						Borrowing requirement		
							Contributions by:	
	Total	General government[2]	Public corporations	Net lending etc., to private sector and overseas[3]	Total	Financial transactions (net receipts)	Total	Central government[4]	Local authorities	Public corporations
1973	2,619†	1,840†	779	971	3,590†	—605†	4,195	2,321	1,348	526
1974	4,898	3,345	1,553†	1,867†	6,765	393	6,372†	3,491	2,125	757
1975	7,923	4,973	2,950	1,834	9,757	—764	10,521	8,376	1,653	491
1976	8,365	5,956	2,409	1,343	9,708	299	9,409	6,786	1,130†	1,493
1977	5,688	4,639	1,049	135	5,823	122	5,701	4,463	231	1,007
1973 *3*	1,034	668†	366†	278	1,312	—227	1,539	645	337	557
4	946†	932	14	195	1,141†	—444†	1,585	986	356	243
1974 *1*	774	454	320	475	1,249	1,311	—62	—609	452	95
2	629	357	272	378†	1,007	—874	1,881	985	780	116
3	1,664	1,104	560	649	2,313	717	1,596	858	452	286
4	1,831	1,430	401	365	2,196	—761	2,957†	2,257	441	260
1975 *1*	1,907	1,000	907	492	2,399	876	1,523	987	527	8
2	1,720	1,127	593	311	2,031	—1,066	3,097	2,356	612	129
3	2,299	1,267	1,032	429	2,728	237	2,491	2,288	210	— 7
4	1,997	1,579	418	602	2,599	—811	3,410	2,745	304	361
1976 *1*	2,237	1,457	780	431	2,668	1,083	1,585	1,414	196	— 25
2	1,933	1,336	597	419	2,352	—636	2,988	2,204	281	503
3	2,704	1,879	825	297	3,001	681	2,320	1,655	287	378
4	1,491	1,284	207	196	1,687	—829	2,516	1,513	366†	637
1977 *1*	1,366	1,080	286	310	1,676	731	945	572	472	— 99
2	1,223	1,019	204	— 12	1,211	—680	1,891	1,778†	—230	383
3	1,792	1,119	673	31	1,823	836	987	274	281	432
4	1,307	1,421	—114	—194	1,113	—765	1,878	1,879	—292	291

[1] The excess of current and capital expenditure over receipts; corresponds to a negative figure of 'net acquisition of financial assets'.
[2] Top table, columns 3 to 7, *less* 1 and 2. [3] Including cash expenditure on company securities (net).


General government expenditure 1976 (£58,395m)
Goods and services
Final consumption
Gross domestic capital formation
Net lending to private sector and overseas
Debt interest
Current grants, subsidies and other transfers



[1]Including borrowing matched by on-lending to local authorities and public corporations.

Sector financial accounts

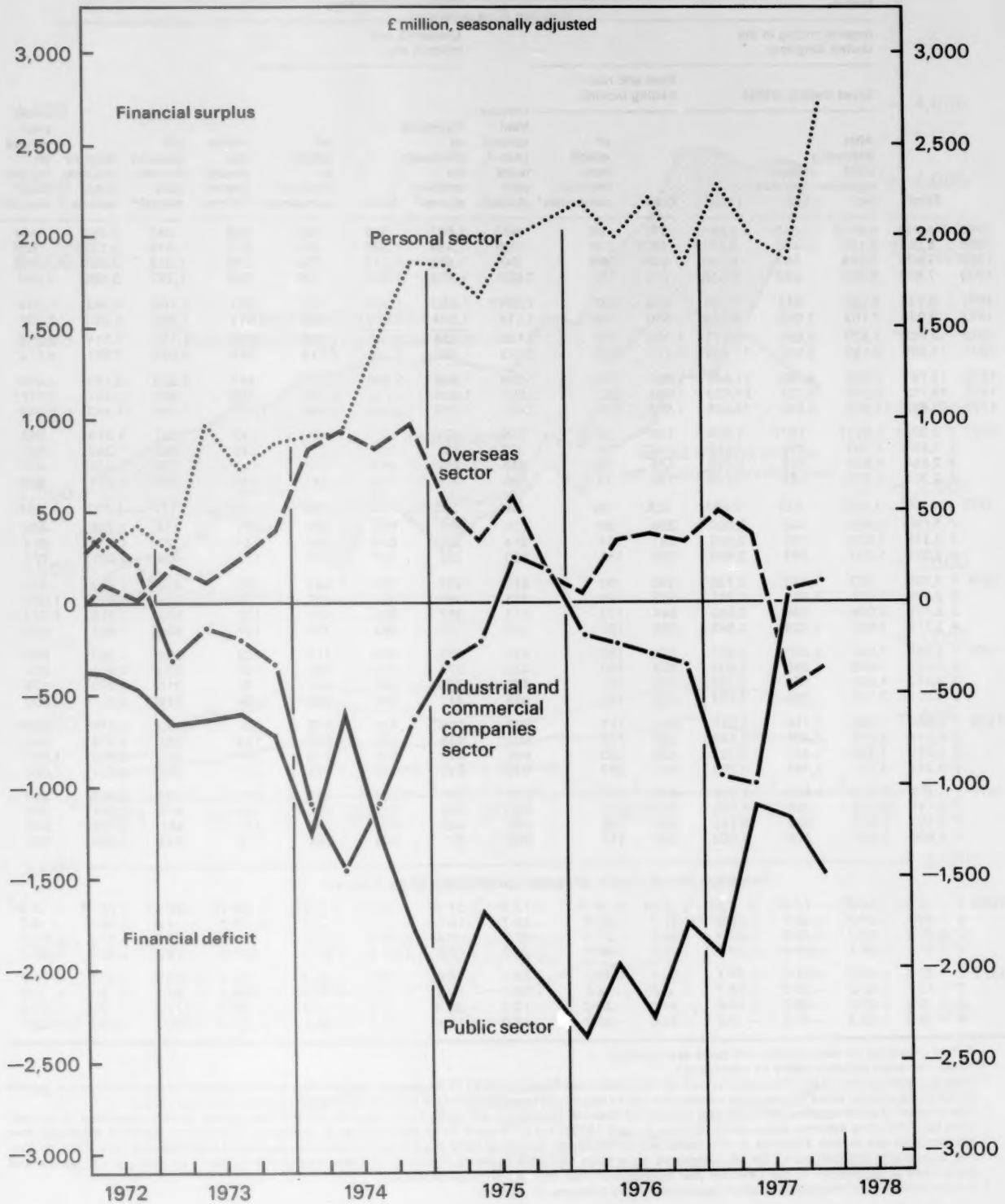
Seasonally adjusted

£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1973	3,278†	— 5	5,892	882	— 76	1,298	7,314†	347	8,635†
1974	2,683	— 18†	7,563†	783	— 66	1,432	7,541	333	12,167
1975	2,040	— 85	9,878	679†	— 16	1,697	8,164	403	9,166
1976	2,829	—166	11,028	1,269	—129	2,048	11,457	359	12,844
1977	4,303	—187	9,804	1,174	—142	2,408	11,362	246	13,366
1973 *1*	809†	— 18	1,446†	252†	— 18	267	1,577†	82	1,977†
2	771	— 23	1,390	178	— 9	322	1,738	82	1,948
3	896	1	1,502	209	— 18	336	1,978	102	2,279
4	802	35	1,554	243	— 31	373	2,021	81	2,431
1974 *1*	423	8	1,716	223	— 15	368	1,902	86	3,087
2	1,159	— 23	1,712	173	— 18	349	1,871	87	3,419
3	721	— 25	1,953	150	— 17	340	1,915	78	3,091
4	380	22†	2,182	237	— 16	375	1,853	82	2,570
1975 *1*	270	— 65	2,427	140	57	360	1,943	96	2,354
2	614	36	2,313	137	— 28	402	1,914	82	2,202
3	546	— 22	2,435	181	— 27	490	1,970	113	2,336
4	610	— 34	2,703	221	— 18	445	2,337†	112	2,274
1976 *1*	498	— 28	2,854	253	— 18	458	2,271	94	2,542
2	798	— 45	2,718	190	— 24	480	2,879	97	3,197
3	496	— 40	2,736	387	— 25	568	3,050	80	3,418
4	1,037	— 53	2,720	439	— 62	542	3,257	88	3,687
1977 *1*	973	— 88	2,820	406	— 30	520†	2,963	85	3,996
2	1,133	— 69	2,167	284	— 37	501	2,962	85	4,043
3	1,254	— 15	2,409	328	— 39	777	2,798	30	2,753
4	943	— 15	2,408	156	— 36	610	2,639	46	2,574

	Personal sector			Net acquisition of financial assets[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1973	6,079†	—325	2,921†	—2,619†	—492	— 974†	2,833†	942	310†
1974	8,642	—324†	3,195	—4,898	—715	—4,293	5,123	3,590	1,193
1975	11,549	—302	3,666	—7,923	—1,034	— 509	7,581	1,614	360
1976	12,864	— 64	4,574	—8,365	— 908	—1,028	8,226	1,107	968
1977	14,109	83	5,333	—5,688	—1,376	—1,758	8,859	35	— 72
1973 *1*	1,062†	— 84	702†	— 655†	— 33†	— 318†	276†	208	522†
2	1,713	— 69	675	— 642	—153	— 128	969	104	—150
3	1,580	— 86	770	— 605	—145	— 199	724	243	— 18
4	1,724	— 86	774	— 717	—161	— 329	864	387	— 44
1974 *1*	1,828	— 79	844	—1,285	—160	—1,099	905	830	809
2	1,831	— 75	819	— 576	—194	—1,461	937	942	352
3	2,259	— 76	754	—1,257	—207	—1,098	1,429	835	298
4	2,724	— 94	778	—1,780	—154	— 635	1,852	983	—266
1975 *1*	2,788	— 88	860	—2,222	—163	— 315	1,840	527	332
2	2,630	— 90	874	—1,663	—293	— 206	1,666	342	154
3	2,984	— 64	934	—1,911	—336	— 253	1,986	590	— 76
4	3,147	— 60	998	—2,127	—242	+ 175	2,089	155	— 50
1976 *1*	3,284	— 48	1,056	—2,384	—223	— 177	2,180	47	557
2	3,074	— 28	1,050	—1,965	—314	— 221	1,996	345	159
3	3,406	— 15	1,181	—2,280	—206	— 288	2,210	377	187
4	3,100	27	1,287	—1,736	—165	— 342	1,840	338	65
1977 *1*	3,528	33	1,274	—1,935	—144	— 948	2,287	505	235
2	3,271	21	1,301	—1,103	—254	— 996	1,991	364	— 2
3	3,126	24	1,284	—1,170	—488	75	1,866	—483	200
4	4,184	5	1,474	—1,480	—490	111	2,715	—351	—505

[1] Excluding financial transactions in writing-off debt. [2] Before providing for depreciation stock appreciation and addition to reserves.
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress. [4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress. [5] Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers. [6] The residual error in the national income accounts


£ million, seasonally adjusted
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
3,000
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
−2,000
−2,500
−3,000
1972
1973
1974
1975
1976
1977
1978

Appropriation account of industrial and commercial companies

£ million Seasonally adjusted

		Income						Allocation of income						
		Income arising in the United Kingdom						Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income									
		Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1967		6,003	4,817†	147†	4,964	377	96	662	1,463	941	548	206	941	2,452	*514*
1968		6,854†	5,170	472	5,642	457†	139	755	1,434	1,067	656	311	919	3,123†	*705*
1969		7,604	5,568	587	6,155	504	165	945	1,554	1,219	756	259	1,013	3,559	*819*
1970		7,983	5,553	893	6,446	513	151	1,024	1,378	1,301	799	322	1,297	3,685	*1,041*
1971		8,733	6,343	842	7,185	524	135	1,024†	1,530	1,320	792	397	1,104	4,382	*1,334*
1972		9,928	7,102	1,062	8,164	650	196	1,114	1,524	1,510	969	549	1,082	5,263	*1,592*
1973		13,138	7,320	2,595	9,915	1,065	501	2,158	1,638	2,365	1,806	665	1,156	7,314	*2,359*
1974		14,896	6,190	5,015	11,205	1,372	695	2,319	1,469	3,340	2,716	524	2,022	7,541	*4,012*
1975		14,791	7,398	4,148	11,546	1,351	619	1,894	1,608	3,309	2,674	447	1,263	8,164	*3,414*
1976		18,739	9,330	5,223	14,553	1,682	802	2,504	1,895	3,772	3,120	765†	850	11,457	*3,911†*
1977		20,498	12,965	3,536	16,501	1,526	636	2,471	2,219	3,694	3,048	1,429	1,794	11,362	*3,682*
1972	*1*	2,203†	1,621†	187†	1,808	139†	30	256	437	323	196	127	297	1,019	*360*
	2	2,438	1,793	219	2,012	142	34	284	461	347	221	135	252	1,243	357
	3	2,584	1,818	302	2,120	175	60	289	352	406	270	141	255	1,430	*415*
	4	2,703	1,870	354	2,224	194	72	285	274	434	282	146	278	1,571	*460*
1973	*1*	2,973	1,932	432	2,364	225	96	384	526	505	386	188	177	1,577	*484*
	2	3,196	1,855	545	2,400	226	90	570	511	522	392	171	254	1,738	*484*
	3	3,378	1,828	755	2,583	281	134	514	319	609	454	151	321	1,978	*614*
	4	3,591	1,705	863	2,568	333	181	690	282	729	574	155	404	2,021	*777*
1974	*1*	3,706	963	1,773	2,736	360	192	610	432	792	647	170	410	1,902	*938*
	2	3,692	1,403	1,358	2,761	333	170	598	355	811	657	126	529	1,871	*1,065*
	3	3,779	2,005	858	2,863	344	172	572	357	855	691	103	549	1,915	*1,029*
	4	3,719	1,819	1,026	2,845	335	161	539	325	882	721	125	534	1,853	*980*
1975	*1*	3,669	1,567	1,290	2,857	338	150	474	431	868	711	123	304	1,943	*886*
	2	3,539	1,808	995	2,803	303	130	433	377	800	641	123	225	1,914	*852*
	3	3,572	1,858	904	2,762	338	157	472	389	801	637	97	315	1,970	*976*
	4	4,011	2,165	959	3,124	372	182	515	411	840	685	104	319	2,337	*700*
1976	*1*	3,984	1,955	1,116	3,071	356	157	557	523	839	672	201	150	2,271	*894†*
	2	4,547	2,258	1,285	3,543	399	178	605	445	858	697	144	221	2,879	*935*
	3	4,831	2,396	1,341	3,737	425	200	669	414	946	776	209	212	3,050	*1,081*
	4	5,377	2,721	1,481	4,202	502	267	673	513	1,129	975	211	267	3,257	*1,001*
1977	*1*	5,318	2,747	1,462	4,209	449	227	660	574	1,087	910	314	380	2,963	*963*
	2	5,141	3,113	985	4,098	376	152	667	492	913	756	369	405	2,962	*993*
	3	5,103	3,559	583	4,142	362	140	599	542	891	730	411	461	2,798	*945*
	4	4,936	3,546	506	4,052	339	117	545	611	803	652	335	548	2,639	*781*

Percentage change, quarter on corresponding quarter of previous year

1976	*1*	*− 8·6†*	*+24·8†*	*−13·5†*	*+ 7·5†*	*+ 5·3†*	*+ 4·7†*	*+17·5†*	*+21·3†*	*− 3·3†*	*− 5·5†*	*+ 63·4†*	*−50·6†*	*+16·9†*	*+ 0·9†*
	2	*+28·5*	*+24·9*	*+29·1*	*+26·4*	*+31·7*	*+36·9*	*+39·7*	*+18·0*	*+ 7·3*	*+ 8·7*	*+ 17·1*	*− 1·8*	*+50·4*	*+ 9·7*
	3	*+35·2*	*+29·0*	*+48·3*	*+35·3*	*+25·7*	*+27·4*	*+41·7*	*+ 6·4*	*+18·1*	*+21·8*	*+115·5*	*−32·7*	*+54·8*	*+10·8*
	4	*+34·1*	*+25·7*	*+54·4*	*+34·5*	*+34·9*	*+46·7*	*+30·7*	*+24·8*	*+34·4*	*+42·3*	*+102·9*	*−16·3*	*+39·4*	*+43·0*
1977	*1*	*+33·5*	*+40·5*	*+31·0*	*+37·1*	*+26·1*	*+44·6*	*+18·5*	*+ 9·8*	*+29·6*	*+35·4*	*+ 56·2*	*+153·3*	*+30·5*	*+ 7·7*
	2	*+13·1*	*+37·9*	*−23·3*	*+15·7*	*− 5·8*	*−14·6*	*+10·2*	*+10·6*	*+ 6·4*	*+ 8·5*	*+156·3*	*+ 83·3*	*+ 2·9*	*+ 6·2*
	3	*+ 5·6*	*+48·5*	*−56·5*	*+10·8*	*−14·8*	*−30·0*	*−10·5*	*+30·9*	*− 5·8*	*− 5·9*	*+ 96·7*	*+117·5*	*− 8·3*	*−12·6*
	4	*− 8·2*	*+30·3*	*−65·8*	*− 3·6*	*−32·5*	*−56·2*	*−19·0*	*+19·1*	*−28·9*	*−33·1*	*+ 58·8*	*+105·2*	*−19·0*	*−22·0*

[1] Before providing for depreciation and stock appreciation.

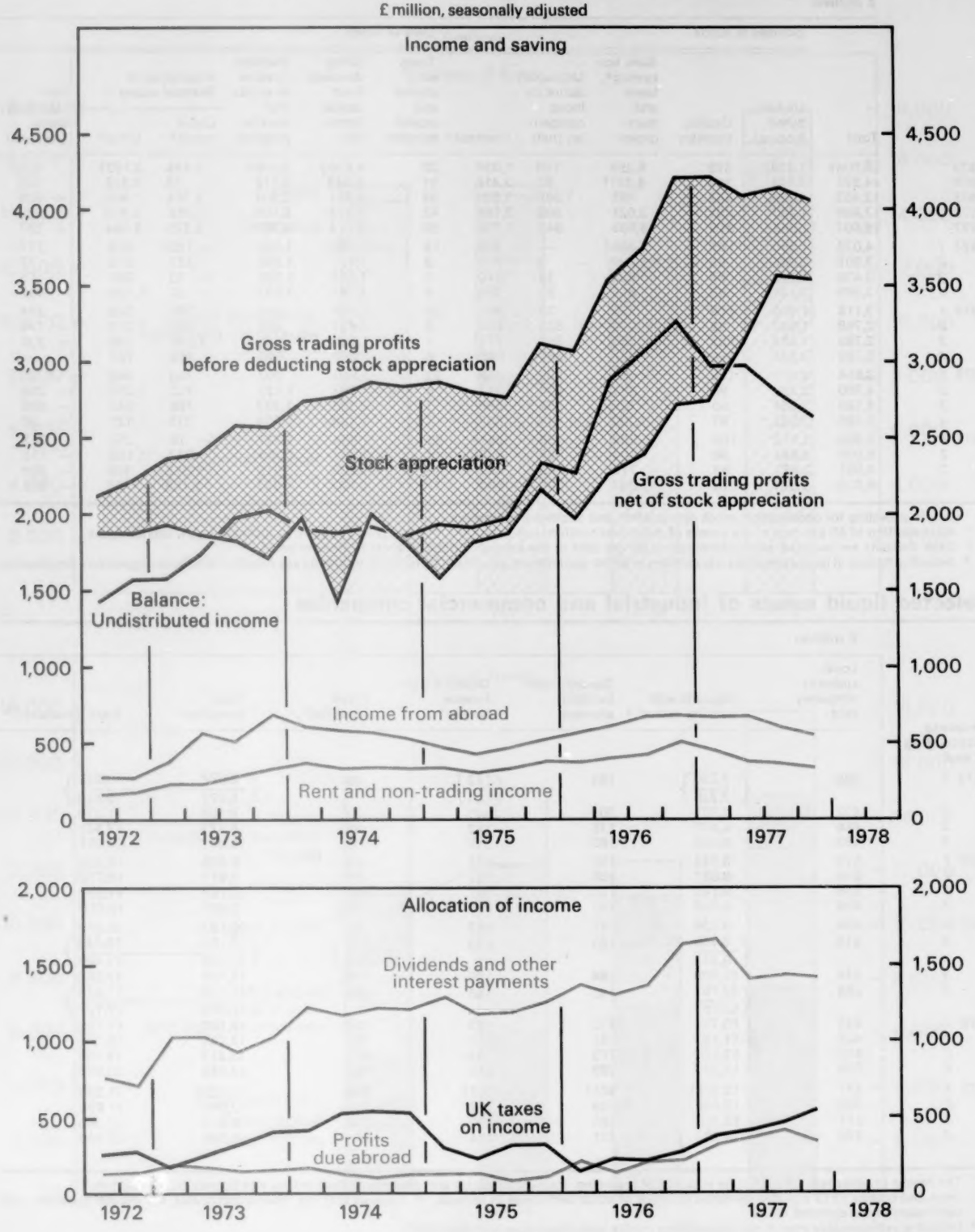
[2] These items are included solely as memoranda.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[4] The residual of all companies payments and accruals of financial companies and institutions taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the fourth quarter of 1977 the amount of advance corporation tax included was £261 million. The seasonally adjusted series for all companies have been allocated between industrial and commercial companies and financial companies and institutions in proportion to the calendar year estimates of their accruals of taxes on income.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

£ million, seasonally adjusted



Sources and uses of capital funds of industrial and commercial companies

£ million

	Sources of funds						Uses of funds					
	Total	Undistributed income[1]	Capital transfers	Bank borrowing[2], loans and mortgages	UK capital issues by listed companies (net)	Overseas[3]	Taxes on capital and capital transfers	Gross domestic fixed capital formation	Increase in value of stocks and work in progress	Acquisition of financial assets: Liquid assets[4]	Acquisition of financial assets: Other[5]	Unidentified items (residual)
1973	15,008†	7,314†	373	5,299	188	1,834	26	4,826†	3,809†	2,494	3,193†	660†
1974	14,874	7,541	364	4,491†	62	2,416	31	6,048	6,119	39	2,349	288
1975	12,453	8,164	442	881	1,085	1,881	39	6,961	2,204	1,764	1,990	— 505
1976	17,885	11,457	401	3,021	808	2,198	42	7,744	5,100	1,952	3,883	— 836
1977	18,607	11,362	315	3,563	643	2,724	69	9,014	4,352	2,375	3,084	— 287
1974 *1*	4,070	1,590	105	1,466†	—	908	16	1,290	1,580	— 159	568	777
2	3,901	2,085	83	1,229	— 9	513	3	1,421	1,945	237	218	77
3	3,438	1,742	87	982	18	610	6	1,556	1,562	— 70	369	15
4	3,465	2,124	89	814	53	385	6	1,781	1,032	31	1,196	— 581
1975 *1*	3,113	1,910	119	770	33	281	22	1,554	569	285	309	374
2	2,768	1,907	82	170	329	280	5	1,617	495	— 388	1,212	— 174
3	2,786	1,813	123	— 280	356	774	6	1,940	445	1,398	— 298	— 705
4	3,786	2,534	118	221	367	546	6	1,850	695	469	767	—
1976 *1*	3,514	2,579	116	— 69	230	658	22	1,550	807	103	963	69
2	4,700	2,792	98	983	430	397	6	1,863	1,132	702	1,252	— 255
3	4,186	2,554	90	825	131	586	7	2,137	1,327	768	547	— 600
4	5,485	3,532	97	1,282	17	557	7	2,194	1,834	379	1,121	— 50
1977 *1*	4,806	3,112	109	704	30	851†	29	1,854	1,737	— 79	252	1,013
2	5,035	2,842	90	1,104	327	672	8	2,337	1,369	277	1,159	— 115
3	4,091	2,481	53	718	182	657	19	2,336	619	1,018	888	— 789
4	4,675	2,927	63	1,037	104	544	13	2,487	627	1,159	785	— 396

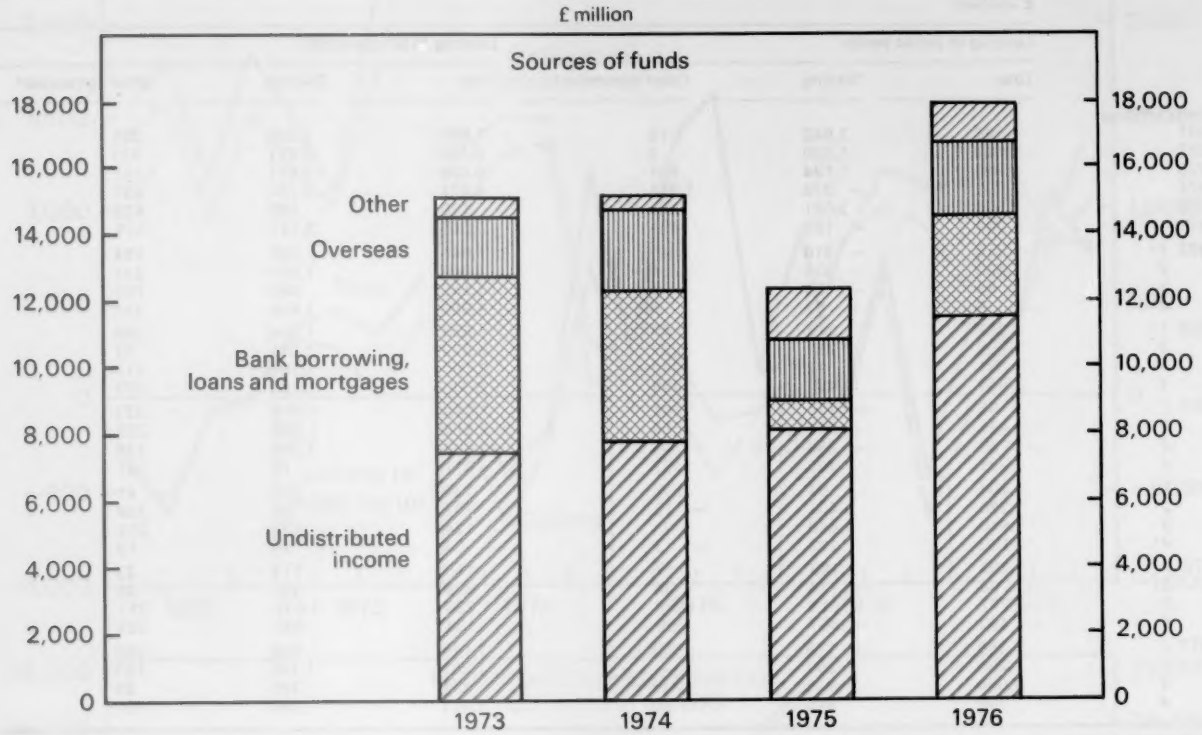
[1] Before providing for depreciation, stock appreciation and additions to reserves.
[2] After addition of 40 per cent of the excess of debit over credit transit items.
[3] Other than investments included in UK capital issues.
[4] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items.
[5] Including figures of large companies transactions in British government securities (for further information see *Financial Statistics Explanatory handbook).*

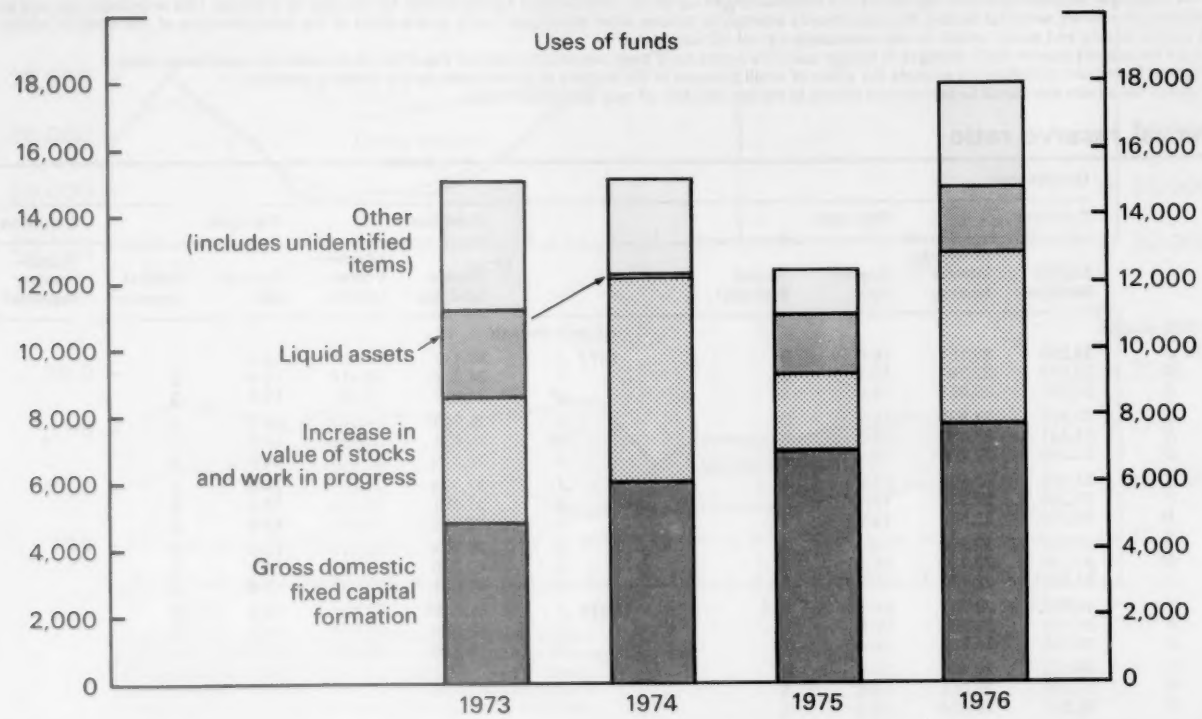
Selected liquid assets of industrial and commercial companies

£ million

Amounts outstanding at end:	Local authority temporary debt	Deposits with banking sector[1,2]	Deposits with building societies	Deposits with finance houses[1]	Other identified[1,3]	Total identified[1]	Bank advances[1,4]
1973 *1*	395	7,230 / 7,225	183	182 / 180	88	8,078 / 8,071	10,551 / 10,649
2	472	7,202	200	205	87	8,166	11,370
3	488	8,487	175	242	85	9,477	12,561
4	483	9,126	160	217	85	10,071	14,421
1974 *1*	519	8,949	161	176	54	9,859	15,423
2	509	8,897	166	193	52	9,817	16,772
3	518	9,142	172	157	168	10,157	17,387
4	484	9,038	180	122	97	9,921	18,019
1975 *1*	424	9,336	181	163	58	10,162	18,316
2	415	9,269 / 9,473	183	173	115 / 112	10,155 / 10,356	19,049 / 17,489
3	434	10,409	184	159	385	11,571	17,562
4	459	10,767 / 10,757	185	136	355	11,902 / 11,892	17,679 / 17,727
1976 *1*	443	10,739	222	183	566	12,153	17,726
2	425	11,182	251	193	700	12,751	19,206
3	414	12,180	273	203	443	13,513	19,955
4	579	12,376	289	210	389	13,843	20,923
1977 *1*	477	12,378†	304†	201†	360	13,720†	21,255
2	388	12,606	336	224	397	13,951	21 955
3	317	13,210	363	220	736	14,846	22,065†
4	229	14,097	401	214	645	15,586	22,449

[1] The breaks in series result from further information regarding holdings by sector and changes to the banking and finance houses sectors.
[2] From 2nd quarter 1973 includes identified holdings of dollar certificates of deposit.
[3] Treasury bills, tax reserve certificates, tax deposit accounts, and certificates of tax deposits.
[4] Including refinanceable export and shipbuilding credits with effect from mid-May 1972.


£ million
Sources of funds
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Other
Overseas
Bank borrowing, loans and mortgages
Undistributed income
1973
1974
1975
1976


Uses of funds
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
Other (includes unidentified items)
Liquid assets
Increase in value of stocks and work in progress
Gross domestic fixed capital formation
1973
1974
1975
1976

Bank lending[1] to UK residents

Seasonally adjusted[2]

£ million

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1971	1,666	1,648	18	1,856	1,625	231
1972	−1,026	−1,030	4	6,434	5,511	923
1973	1,995	1,134	861	6,828	5,671	1,157
1974	701	− 370	1,071	4,671	3,734	937
1975	3,364	3,081	283	139	− 386	525
1976	271	− 163	434	3,515	3,137	378
1972 *1*[4]	− 316	− 316	—	1,549	1,395	154
2	− 630	− 634	4	1,847	1,604	243
3	− 59	− 54	− 5	1,145	963	182
4	− 8	− 13	5	1,880	1,536	344
1973 *1*[4]	362	319	43	1,523	1,234	289
2	498	261	237	1,072	1,021	51
3	331	− 12	343	2,190	1,780	410
4	647	409	238	2,200	1,793	407
1974 *1*	86	− 177	263	1,339	1,016	323
2	− 441	− 657	216	1,514	1,289	225
3	− 165	− 265	100	1,507	1,359	148
4	1,221	729	492	311	70	241
1975 *1*	204	− 94	298	139	180	− 41
2[5]	1,390	1,402	− 12	207	− 32	239
3	1,640	1,640	—	− 124	− 438	314
4[4]	130	133	− 3	− 83	− 96	13
1976 *1*	200	183	17	150	173	− 23
2	− 64	− 118	54	808	846	− 38
3	777	619	158	1,233	1,022	211
4	− 452	− 657	205	1,134	906	228
1977 *1*	388	− 115	503	1,146	586	560
2	250	250	—	1,262	1,105	157
3	1,094	845	249	834	769	65
4	745	815	− 70	1,471	1,050	421

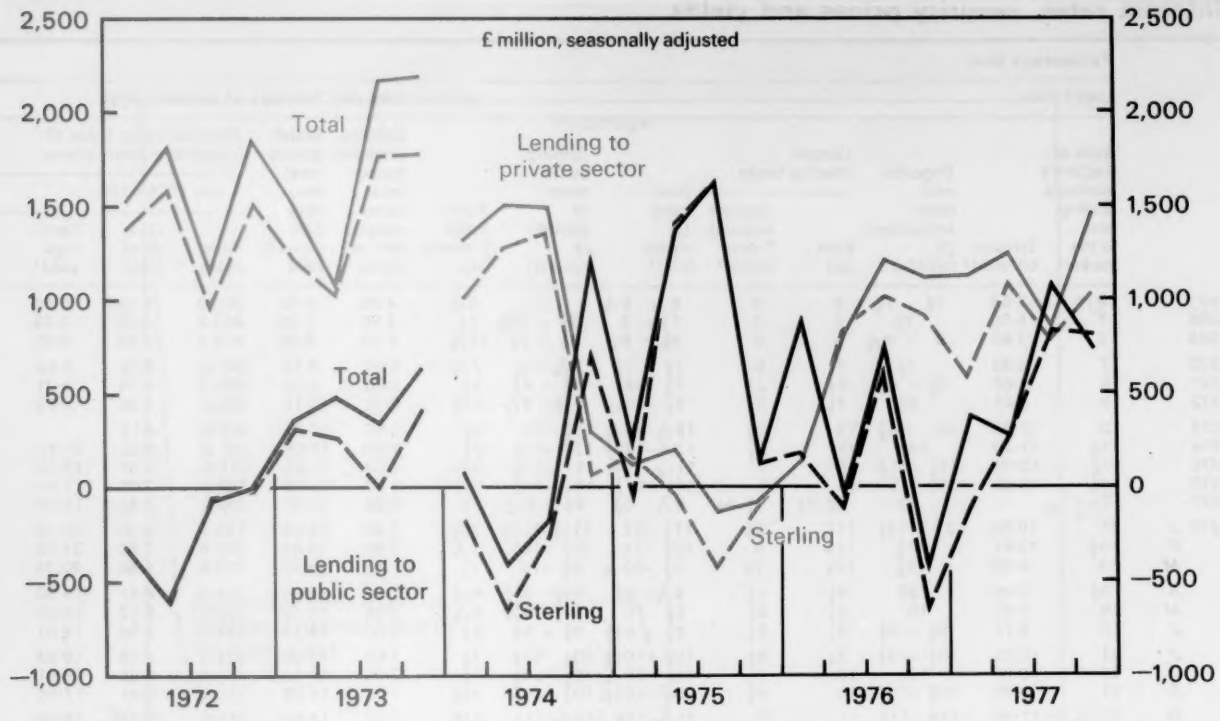
[1] UK banking sector: changes in assets.
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.
[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.
[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

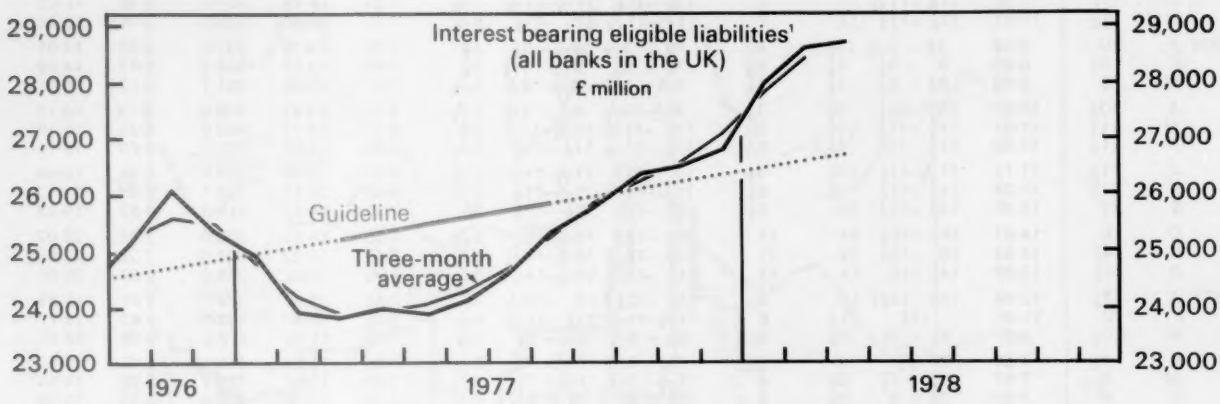
Banks' reserve ratio

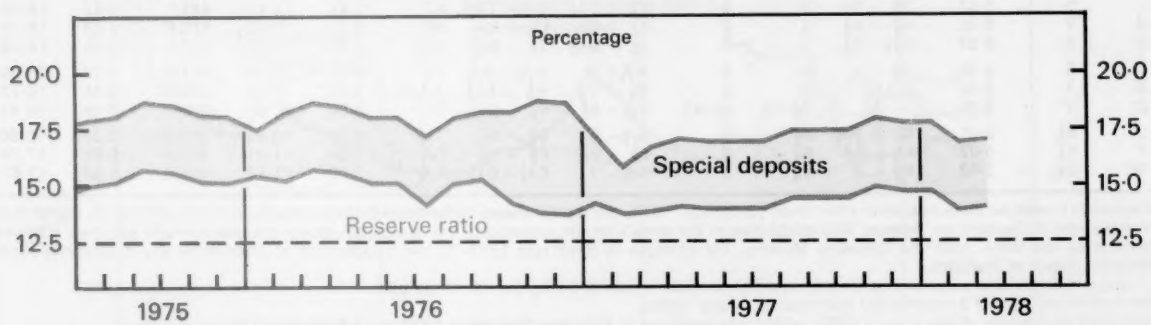
Unadjusted

	£ million		Per cent			£ million		Per cent		£ million
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]		Eligible liabilities	*of which:* Interest bearing	Reserve ratio	Special deposits[2]	Supplementary deposits[2]
At mid-month					**At mid-month**					
1975 *J*	33,205	23,151	15·0	3	1977 *J*	36,147	24,996	14·4	3	
A	33,044	22,767	15·1	3	*F*	34,834	23,916	13·8	2	
S	32,987	22,851	15·9	3	*M*	34,977	23,840	13·9	3	
O	33,367	22,986	15·7	3	*A*	35,843	24,010	14·2	3	
N	33,451	23,033	15·2	3	*M*	35,824	23,938	14·0	3	1
D	33,345	22,764	15·1	3	*J*	36,279	24,221	14·0	3	—
1976 *J*	33,046	22,509	15·5	2	*J*	37,094	24,670	14·0	3	1
F	33,204	22,929	15·4	3	*A*	37,691	25,318	14·5	3	
M	33,106	22,551	15·8	3	*S*	38,793	25,803	14·5	3	
A	33,907	22,803	15·6	3	*O*	39,704	26,314	14·5	3	
M	33,738	22,739	15·2	3	*N*	40,205	26,492	15·1	3	
J	34,026	23,111	15·2	3	*D*	40,834	26,786	14·8	3	
J	34,987	23,761	14·2	3	1978 *J*	41,643	27,952	14·8	3	
A	35,184	23,955	15·1	3	*F*	42,223	28,616	14·0	3	
S	35,795	24,390	15·4	3	*M*	42,575	28,700	14·1	3	
O	36,622	25,215	14·4	4						
N	37,260	26,068	13·9	5						
D	36,877	25,424	13·8	5						

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.







[1] Supplementary special deposits will have to be paid by banks and deposit-taking finance houses, according to growth in excess of the guideline, at rates of 5 per cent (up to 3 per cent excess), 25 per cent (over 3 and up to 5 per cent excess) and 50 per cent (above 5 per cent excess) of interest-bearing eligible liabilities.

Interest rates, security prices and yields

Percentage rate

		Last Friday							Last working day	Average of working days			
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks: Base rate	London clearing banks: Deposit account: 7 days' notice[4]	Inter-bank (3 month rate)[5]	Sterling certificates of deposit (3 months)	Euro-dollar 3-month rate	Building Societies Association recommended rate on shares[6]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares: 1 July 1935=100 — Price index	Dividend yield	Earnings yield[7]
1967		8	7·63	7¾ – 7⅞	8	6	8 1/16 – 8 3/16	..	6 5/16	4·25	6·69	355·0	5·36	6·69
1968		7	6·89	7¾	7	5	7 13/16 – 8	7⅞ – 7 15/16	7½	4·50	7·39	463·3	4·05	4·99
1969		8	7·80	9 – 9 1/16	8	6	9⅜ – 9½	9⅜ – 9¼	11 5/16	5·00	8·88	419·8	4·43	5·82
1970		7	6·93	7½	7	5	7 1/16 – 7 1/8	7 3/16 – 7 5/16	7 7/16	5·00	9·16	361·0	4·75	6·54
1971		5	4·46	4½ – 4⅝	4½	2½	4⅜ – 4¾	4⅜ – 4½	5⅛	5·00	9·05	386·2	4·76	6·21
1972		9	8·43	8¾	7½	5¾	8 7/16 – 9 1/16	8 1/16 – 9 1/16	5 1/16	5·25	9·11	503·8	3·26	4·98
1973		13	12·82	16 –16⅛	13	9½	16 1/16 –16 5/16	15¾ –16	10⅜	7·50	10·85	435·6	4·12	..
1974		11½	11·30	13½	12	9½	12 7/16 –12 1/2	12¼ –12⅜	10½	7·50	14·95	251 2	8·23	21·47
1975		11¼	10·93	11¼ –11⅜	11	7	11 1/16 –11 3/16	11 –11⅛	6 1/16	7·00	14·66	311·0	6·81	19·49
1976		14½	13·98	14¾ –15	14	11	14⅛ –14⅜	14 1/16 –14⅛	5 1/16	7·80	14·25	368·0	5·96	17·61
1977		7		6¾	6¾–7½	3½–4½	6 9/16 – 6¾	6⅜ – 6 7/16	7⅛	6·00	12·32	452·3	5·42	16·50
1975	J	11	10·58	12 –12¼	11½	9½	11¾ –12	11 1/16–11 1/8	7 7/16	7·50	16·03	183·7	10·99	30·28
	F	10½	10·01	11½	11½	9	10¾ –11	10⅜ –10 7/8	7 5/16	7·50	14·94	262·6	7·56	21·66
	M	10	9·59	10½	10½	7½	9⅞ –10 1/16	9⅞ –10	7⅛	7·50	13·92	292·6	6·80	20·35
	A	9¾	9·46	9¾	9½	6¼	9 9/16 – 9⅞	9 1/16 – 9 1/16	6 1/16	7·50	14·58	314·9	6·51	19·30
	M	10	9·67	10	9½	6¼	9⅞ –10	9 1/16 – 9 1/16	6 1/16	7·50	15·22	339·0	6·12	18·09
	J	10	9·71	9½ – 9⅝	9½	6¼	9⅜ – 9 1/16	9⅜ – 9¾	6¾	7·00	14·70	332·6	6·06	18·07
	J	11	10·72	10½ –10⅝	9½	6¼	10⅜ –10 1/16	10½ –10⅝	7⅛	7·00	14·06	304·4	6·68	19·62
	A	11	10·66	10½	10	6½	10⅜ –10 9/16	10⅜ –10½	7⅜	7·00	14·12	298·3	6·94	19·91
	S	11	10·76	10⅜ –10⅞	10	6½	10½ –10 1/16	10⅜ –10¾	7 7/16	7·00	14·08	328·9	6·31	17·58
	O	12	11·74	11⅛ –11¾	11	7	11 9/16 –11¾	11 7/16 –11½	6 13/16	7·00	14·90	341·9	6·14	16·88
	N	11½	11·30	11⅜ –11 7/16	11	7	11¼ –11⅜	11 5/16 –11 5/16	7 1/16	7·00	14·79	367·9	5·76	16·02
	D	11½	10·93	11¼ –11⅜	11	7	11 1/16 –11 3/16	11 –11⅛	6 1/16	7·00	14·86	365·8	5·74	15·98
1976	J	10	9·52	9⅞ – 9 13/16	10½	6½	9⅜ – 9 1/16	9 7/16 – 9½	5⅜	7·00	13·78	397·0	5·30	14·91
	F	9¼	8·80	9 – 9⅛	9½	5½	8¾ – 8⅞	8 1/16 – 8 1/16	5⅜	7·00	13·54	404·2	5·17	14·99
	M	9	8·60	8⅝ – 8¾	9½	5½	8 9/16 – 8 11/16	8 7/16 – 8 9/16	5 7/16	7·00	13·95	404·7	5·12	15·01
	A	10½	10·20	10⅛ –10¼	9½	5½	9 13/16 –10 1/16	9⅞ – 9 15/16	5 5/16	7·00	13·97	406·0	5·13	15·17
	M	11½	11·31	11¼ –11⅜	10½	6½	11¼ –11 1/16	11 5/16 –11 7/16	6⅜	6·50	13·72	406·6	5·26	15·19
	J	11½	11·30	11⅛ –11¼	10½	6½	11⅛ –11 7/16	11¼ –11⅜	6 1/16	6·50	14·01	378·6	5·69	16·14
	J	11½	11·17	11 3/16–11¼	10½	6½	11 3/16–11¼	11 3/16–11¼	5 13/16	6·50	13·95	383·8	5·74	16·44
	A	11½	11·25	11⅛ –11¼	10½	6½	11⅛ –11 5/16	11 3/16–11¼	5 13/16	6·50	14·11	368·1	6·03	17·55
	S	13	12·74	12½ –12⅝	12	8½	12½ –12⅝	12½ –12⅝	5⅜	6·50	14·47	344·0	6·52	19·23
	O	15	14·97	15¼ –15½	14	11	15⅛ –15⅜	15 3/16–15¼	5 7/16	6·50	15·43	293·6	7·61	23·07
	N	14½	14·54	15 –15¼	14	11	14½ –14 5/8	14 7/16–14 1/16	5 7/16	7·80	15·22	301·0	7·28	22·66
	D	14½	13·98	14⅜ –15	14	11	14⅛ –14⅜	14 1/16–14⅛	5 7/16	7·80	14·82	328·6	6·67	20·91
1977	J	12¼	12·09	12⅛ –13⅛†	13	9½	12⅛ –12⅜	12 –12 1/16	5½	7·80	13·67	374·7	6·01	18·69
	F	12	11·06	11⅜	11¼	8	11 3/16–11 9/16	11¼ –11 3/16	5 3/16	7·80	13·47	393·8	5·83	18·77
	M	10½	9·57	9½ – 9⅝	9½	6½	9⅜ – 9 1/16	9 9/16 – 9⅝	5 7/32	7·80	12·95	418·2	5·39	16·91
	A	8¼	7·64	8⅛	9	4½	7 13/16 – 8 1/16	7 11/16 – 7⅞	5 5/16	7·80	12·55	415·1	5·51	16·82
	M	8	7·57	7⅞ – 7⅞	8½	4	7 1/16 – 7 1/8	7 1/16 – 7⅛	6 1/16	7·00	12·41	456·7	5·08	15·54
	J	8	7·60	7⅞ – 8	8½	4	7⅞ – 8	7⅞ – 7 1/16	5 3/16	7·00	12·85	450·5	5·19	15·83
	J	8	7·44	7⅞ – 7⅞	8½	4	7⅞ – 7 1/16	7 7/16 – 7 1/16	6¼	6·70	13·11	443·1	5·37	16·09
	A	7	6·52	6⅞ – 6⅞	8	4	6⅞ – 6¾	6⅝ – 6 1/16	6⅜	6·70	12·56	478·6	5·23	15·26
	S	6	5·37	5 1/16– 5⅞	7	3	5⅞ – 5 1/16	5⅝ – 5 13/32	6 29/32	6·70	11·52	522·8	5·08	14·98
	O	5	4·53	4¾ – 5	6	3	4 3/16– 5	4 3/16– 4 5/16	7½	6·70	10·84	511·9	5·26	15·55
	N	7	6·53	6¾	6	3	6½ – 7⅛	6⅝ – 6 1/16	7 3/32	6·00	11·04	480·5	5·56	16·72
	D	7	6·39	6¾	6¾–7½	3½–4½	6 9/16– 6¾	6⅝ – 6 7/16	7⅛	6·00	10·90	481·6	5·56	16·83
1978	J	6½	5·85	6½ – 6 5/16	6½	3	6 5/16– 6½	6½ – 6½	7 1/16	6·00	10·67	482·3	5·57	16·96
	F	6½	6·07	6⅜ – 6¾	6½	3	6⅜ – 6⅝	6⅜ – 6¾	7 3/16	5·50	11·21	457·9	5·85	17·74
	M	6½	6·02	6⅜ – 7	6½	3	6 13/16– 7	6 1/16– 6 1/16	7 1/16	5·50	11·18	454·9	5·94	17·51

[1] Previously known as Bank rate. With effect from 13 October 1972, the Bank's minimum lending rate to the market will normally be ½% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above; the rate normally becomes effective, for lending by the Bank, from the following Monday. For changes in Bank rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics.*

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

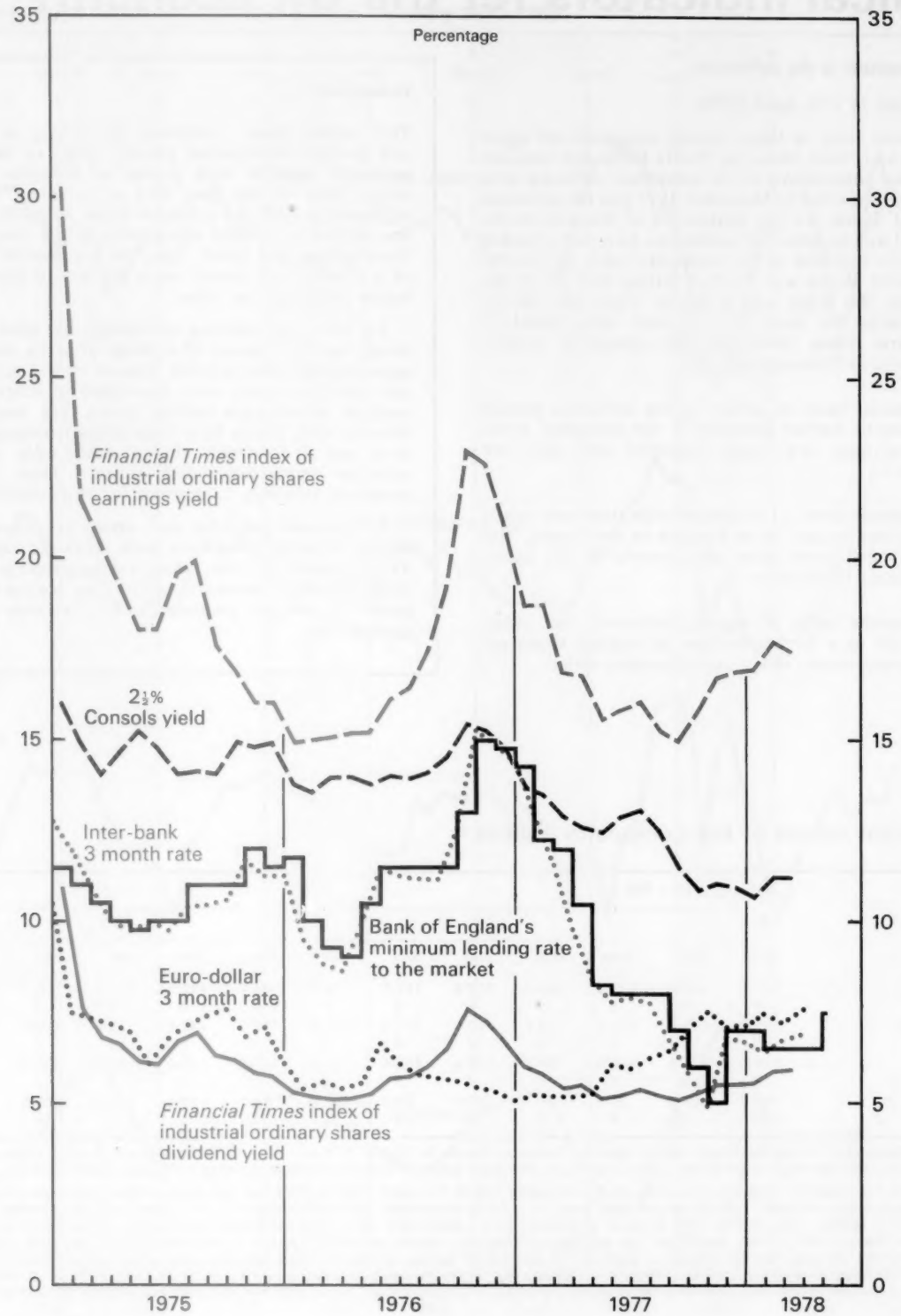
[3] For a minimum term of 3 months and thereafter at 7 days' notice.

[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Net of income tax where this is paid by societies at the agreed composite rate.

[7] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Explanatory handbook.* No meaningful average for the month of February is therefore available.


Percentage
35
30
25
20
15
10
5
0
Financial Times index of industrial ordinary shares earnings yield
2½% Consols yield
Inter-bank 3 month rate
Bank of England's minimum lending rate to the market
Euro-dollar 3 month rate
Financial Times index of industrial ordinary shares dividend yield
1975
1976
1977
1978

Cyclical indicators for the UK economy

Recent movements in the indicators

(data available to 17th April 1978)

The composite index of *longer leading* indicators fell again in March and is now about six points below the October level. All four components of the composite index are now available for the period to December 1977 and the inclusion of the latest figures for net acquisition of financial assets of industrial and commercial companies have not changed the down-turn recorded in the composite index in November. The fall in March was due to a further decrease in the FT-Actuaries 500 index and a further slight rise in the smoothed series for short term interest rates, (used in inverted form when compiling the composite index). Housing starts in February also fell.

The composite index of *shorter leading* indicators rose in February due to further increases in the smoothed series for hire purchase new credit extended and new car registrations.

The composite index of *coincident* indicators rose again in February due mainly to an increase in retail sales. The latest values for some other components of this index have not altered its direction.

The composite index of *lagging* indicators rose again in March due to a further increase in unfilled vacancies and some improvement in the unemployment series.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude and inversion where appropriate.

Most recent values of the composite indices[2]

January 1970 = 100

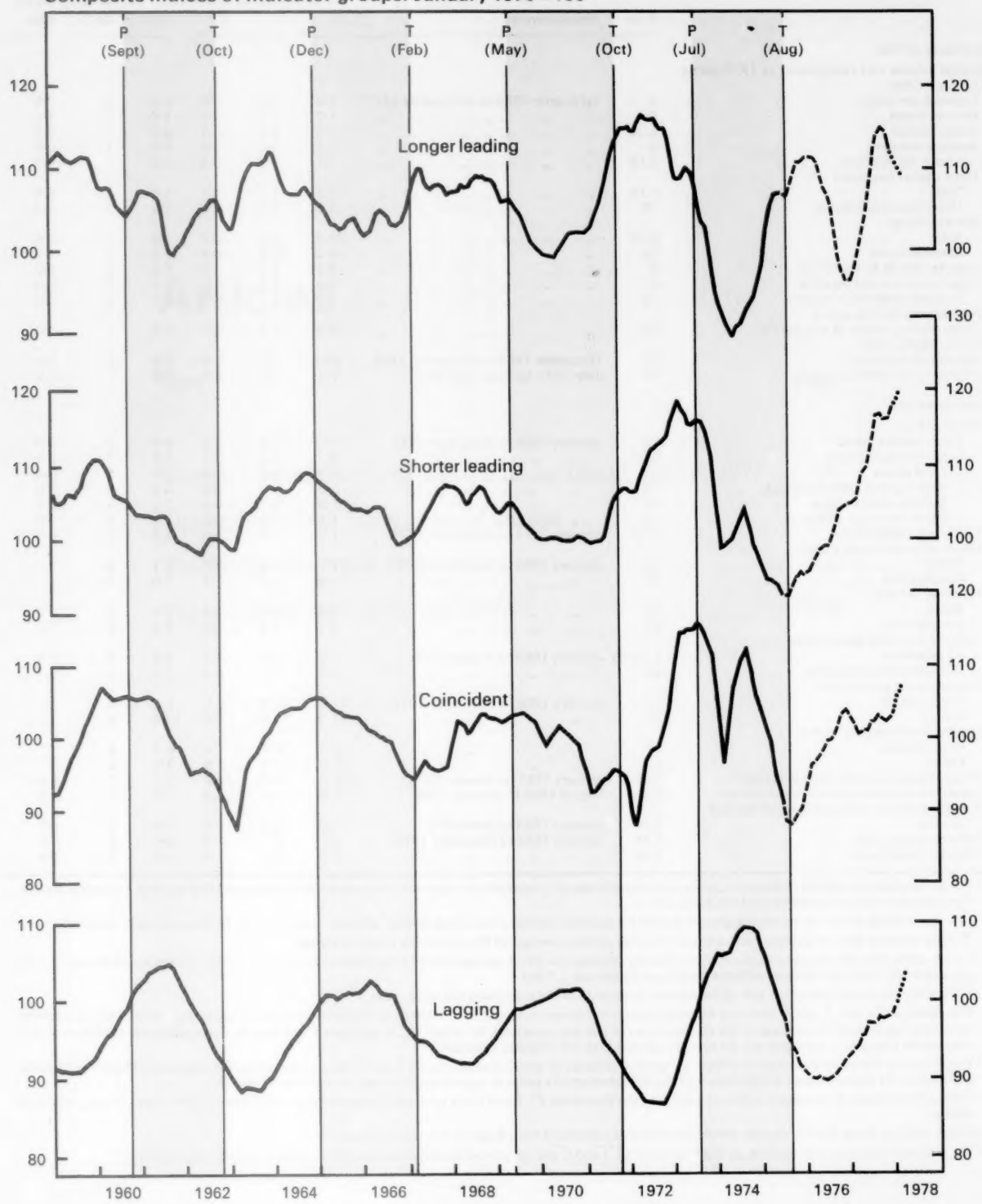
	1977									1978		
	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	March
Longer leading	101·7	103·3	105·8	108·5	112·4	114·1	114·9	114·1	112·5	111·2	110·1	109·3
	4	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*4*	*3*	*3*	*2*
Shorter leading	109·0	109·7	111·5	113·7	116·6	117·0	116·3	116·3	117·5	118·4	119·8	
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*2*	*2*	
Coincident	101·0	101·1	102·0	102·3	102·9	102·5	102·3	102·8	103·6	105·8	106·7	
	6	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*3*	*2*	
Lagging	96·0	97·0	97·0	97·1	97·8	97·4	97·8	98·1	98·8	100·5	101·8	103·4
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*2*	*2*	*2*

[1] A full explanation of the methodology used is given in *Economic Trends* for March 1975 and May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

[2] In the table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office. 01-233 6193.

Cyclical indicators

Composite indices of indicator groups. January 1970=100



P = Peak T = Trough

Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1970 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1966 to 2nd quarter 1977	1·4	1·0	0·9	1·2	2	0·5
Income based	6	" " " " " " "	1·7	1·1	1·2	1·0	1	1·0
Output based	6,28	" " " " " " "	1·0	0·6	0·7	0·8	1	0·8
Average estimate	6	" " " " " " "	1·2	0·7	0·8	0·9	1	0·9
Consumers' expenditure	8,10	" " " " " " "	1·2	0·7	0·8	0·9	1	0·9
Fixed capital formation								
Total	8,16	" " " " " " "	2·2	1·7	1·1	1·5	2	0·6
Manufacturing industry	18	" " " " " " "	3·8	2·7	2·3	1·2	2	0·4
Stockbuilding[2]								
Total	8,22	" " " " " " "	*99·5*	*73·9*	*60·3*	1·2	2	0·6
Manufacturing	22	" " " " " " "	*76·2*	*50·8*	*40·6*	1·2	2	0·6
Exports: goods and services	8	" " " " " " "	3·8	3·2	2·1	1·5	2	0·5
Imports: goods and services	8	" " " " " " "	3·0	2·2	1·8	1·3	2	0·4
Personal disposable income	10	" " " " " " "	1·6	1·1	1·1	1·1	2	0·3
Other national income series								
Gross trading profits of companies	58	" " " " " " "	4·0	2·6	3·3	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1963 to 4th quarter 1976	2·0	1·2	1·4	0·9	1	0·9
Money stock (sterling M_3)[3]	50	July 1971 to December 1977	1·3	0·6	1·2	0·5	1	0·5
Monthly series								
Retail sales								
Total: current prices	12	January 1961 to December 1977	1·0	0·6	0·7	0·9	1	0·9
Total: constant prices	5,12	" " " " "	0·7	0·6	0·3	2·5	3	0·9
Food shops	12	" " " " "	0·6	0·6	0·2	2·9	4	0·8
Clothing and footwear shops	12	" " " " "	2·0	1·9	0·4	5·6	6	0·9
Durable goods shops	12	" " " " "	1·8	1·7	0·7	2·2	3	0·8
Other non-food shops	12	" " " " "	1·1	1·0	0·3	2·8	3	1·0
Cars: new registrations	5,12	January 1971 to December 1977	7·8	7·4	1·6	4·6	6	0·9
Housing: public authorities[4]								
Starts	20	January 1956 to December 1977	11·7	11·4	1·7	6·7	6	
Completions	20	" " " " "	7·8	7·6	1·1	7·0	6	
Housing; private								
Starts	20	" " " " "	8·3	8·0	2·4	3·4	4	0·9
Completions	20	" " " " "	6·1	6·0	0·9	6·5	6	1·0
Index of industrial production:								
All industries	5,26,28	January 1968 to August 1976	1·0	0·9	0·4	2·6	4	0·8
Manufacturing industries	26	" " " " "	1·2	1·1	0·4	2·8	4	0·7
Passenger car production:								
Home market	32	January 1968 to December 1977	11·9	11·7	2·0	5·9	6	
Export	32	" " " " "	11·2	11·0	0·8	13·8	6	
Commercial vehicle production:								
Home market	32	" " " " "	9·2	8·9	1·4	6·2	6	
Export	32	" " " " "	11·0	10·8	1·5	7·4	6	
Unemployed excluding school-leavers[5]	5,36	January 1961 to January 1978	*13·5*	*4·5*	*12·2*	0·4	1	0·4
Vacancies notified to employment offices[5]	5,36	August 1960 to January 1978	*5·9*	*2·4*	*5·3*	0·5	1	0·5
Average earnings all industries and services covered	5,40	January 1963 to June 1976	1·0	0·4	0·9	0·5	1	0·5
Exports: value, f.o.b.	5,46	January 1964 to December 1976	3·1	2·7	1·3	2·0	2	0·9
Imports: value, f.o.b.	5,46	" " " " "	2·9	2·6	1·4	1·9	2	0·9

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in the August 1972 issue of *Economic Trends*. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3] and [5].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

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National income and expenditure in the fourth quarter of 1977*

This article presents quarterly estimates of national income and expenditure up to the fourth quarter of 1977. Provisional summary estimates of gross domestic product were issued by press notice on 20 March 1978, and the main aggregates shown in this article are little changed. The figures now incorporate the later estimates of fixed investment and stock-building for the fourth quarter which were issued by the Department of Industry in a press notice on 28 March 1978, together with other revisions which were incorporated in the national income and expenditure press notice issued on 7 April 1978. Unless otherwise stated, the commentary in the article relates to seasonally adjusted data.

In commenting on the quarterly and annual national accounts estimates given in this article, usually only qualitative guidance is given on the relative reliability of different series. Special attention needs to be drawn, however, to the higher margins of error which should be attached to the series estimated at constant prices during periods when the rate of change of prices is relatively large. This point was referred to in an article[1] describing the special problems of estimation which arose in 1972, where mention was made of the significantly higher rate of inflation occurring during the years 1970—72 compared with earlier periods. Subsequently the rate of change of prices reached even higher levels and the estimates at constant prices should therefore be regarded as subject to greater margins of error than in earlier years; this remains true, despite the recent deceleration in the rate of price increases.

* A general description of national income statistics, together with details of the sources, methods and definitions used in making the estimates, is given in *National Accounts Statistics: Sources and Methods* (HMSO 1968). Subsequent changes are described in the notes to the 1977 Blue Book.

Gross domestic product

The latest estimates for gross domestic product suggest that there has been little growth over 1977. The output measure, usually considered the best measure of short-term movements, was little changed between the third and fourth quarter and is only a little higher than its level in the fourth quarter of 1976.

Gross domestic product at factor cost, total home costs, and national disposable income revalued at constant market prices[1]

Seasonally adjusted

Index numbers, 1970 = 100

	Gross domestic product							
	At current prices		At 1970 prices					
	Based on expenditure data	Based on income data	Based on expenditure data	Based on income data[2]	Based on output data	Average estimate	Implied index of total home costs	National disposable income at 1970 market prices[3]
1975	214·5	211·6	107·9	106·4	107·4	107·2	198·9	104·4
1976	251·7	247·0	111·2	109·2	108·7	109·7	226·3	106·7
1977	282·6	280·0	111·2	110·2	110·4	110·6	254·1	107·7
1975 *1*	200·4	195·4	109·6	106·9	109·2	108·6	182·8	. .
2	209·6	206·1	108·4	106·6	107·3	107·4	193·4	. .
3	218·1	216·7	106·3	105·7	106·4	106·2	205·1	. .
4	229·8	228·0	107·1	106·3	106·8	106·7	214·7	. .
1976 *1*	239·1	231·7	111·1	107·7	108·1	109·0	215·3	. .
2	246·4	242·5	110·5	108·8	108·4	109·2	222·9	. .
3	256·3	252·1	111·1	109·2	108·3	109·5	230·9	. .
4	265·1	261·9	112·3	111·0	110·2	111·2	236·0	. .
1977 *1*	271·9	267·1	110·7	108·7	110·6	110·0	245·7	. .
2	277·6	274·9	111·9	110·8	109·5	110·7	248·1	. .
3	290·1	285·4	111·9	110·2	110·6	110·9	259·2	. .
4	290·9	292·7	110·4	111·1	110·8	110·8	263·4	. .
1975 First half	205·0	200·8	109·0	106·8	108·3	108·0	188·1	104·6
Second half	224·0	222·4	106·8	106·0	106·6	106·5	209·9	104·2
1976 First half	242·8	237·1	110·8	108·3	108·3	109·1	219·1	106·2
Second half	260·7	257·0	111·7	110·1	109·3	110·4	233·5	107·2
1977 First half	274·8	271·0	111·3	109·8	110·1	110·4	246·9	106·5
Second half	290·5	289·1	111·2	110·7	110·7	110·9	261·3	109·0

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Income data deflated by the index of total home costs derived from expenditure data.
[3] Half yearly estimates only.

Between the first and second halves of 1977 the average measure of GDP increased by about ½ per cent, with the expenditure estimate slightly down, and increases in the income and output estimates. Despite the fact that there are some differences in movement between the three measures, it can, however, be concluded that GDP showed very little movement over the four quarters of 1977.

Real national disposable income, which takes into account both property income from abroad and the effect of changes in the terms of trade, did rise between the two halves of 1977, by about 2 per cent. The main reason for this was the strengthening of sterling in the latter part of last year.

The implied index of total home costs rose 6 per cent between the two halves of the year, although there was little rise between the third and fourth quarters. This index is a measure of *domestically* generated inflation in the economy, calculated by dividing the expenditure estimate of GDP at factor cost at current prices by the constant price estimate.

Expenditure (Table 1)

Quarterly movements in the expenditure based measure of gross domestic product are not thought to be a reliable indicator of short-term changes in GDP because of problems of timing in the recording of components. However, on a longer view, GDP(E) was virtually unchanged both between 1976 as a whole and 1977 and between the two halves of 1977. Between the two halves of 1977 rises in consumers' expenditure and exports, together with a fall in imports were offset by a major swing from the high rates of stock-building in the first half and a small fall in investment.

Factor incomes (Table 2)

Total domestic incomes rose by about 2 per cent in the fourth quarter, with income from employment, its largest component, rising faster than this, by 3½ per cent, following rises of only 1 per cent and 2 per cent in the previous two quarters. Gross trading profits, before deducting stock appreciation increased 16 per cent between 1976 and 1977, although they showed no distinct trend during the course of last year. Stock appreciation declined appreciably throughout 1977, due to slower increases in wholesale prices, with the result that company profits after deducting stock appreciation rose quite rapidly until the third quarter. In the fourth quarter the fall in stock appreciation in the company sector was less and profits net of appreciation were little changed on the previous quarter.

Output (Table 3)

The output measure of GDP was very little changed over 1977. Output of the production industries remained at much the same level in the last two quarters, after recovering from the fall between the first and second quarters of the year. Other services output had a similar fall in the spring but grew steadily thereafter. Activity in the distributive trades in the fourth quarter was at the same level as a year earlier, while there was a significant increase in agricultural output, reflecting the better harvest, and in the transport and communication sector. Construction output rose by 5 per cent in the second half of 1977, from the low levels of the first half-year (major revisions have been incorporated in this series, along with other series relating to the construction industry; some details are given in the final section of this article). Finally, the output of the off-shore oil and gas industry, after very rapid increases up to the first quarter of 1977, grew less fast in the rest of the year, with the second half 12 per cent higher than the first.

Personal income, expenditure and saving (Tables 4, 12 and 13)

Total personal income rose by 4 per cent in the fourth quarter following a rise of 2½ per cent in the third. Of the total, civilian wages and salaries rose by similar amounts in the two quarters and were around 10 per cent higher in the fourth quarter than a year previously. Of other sources of income, there was an 8 per cent rise in current grants between the third and fourth quarters; benefit rates were increased in November and will have been partly reflected in the fourth quarter figure, although the full effect will not be seen until the first quarter of 1978.

Total payments of UK taxes on income were reduced in the fourth quarter by 6 per cent following a third quarter fall of 3 per cent. These movements reflect implementation of the revised April budget proposals and of the increased personal allowances announced in October. In particular the fourth quarter included tax rebates to previous quarters paid through the PAYE system.

As a result of the tax changes and rebates, total personal disposable income rose by 6 per cent in the fourth quarter following a rise of 3½ per cent in the third quarter, these increases being higher than those taken before tax.

Consumers' expenditure at current prices rose 2 per cent in the fourth quarter after a 5 per cent rise in the third. With larger increases in personal income after tax in the fourth quarter, this implied that the savings ratio rose sharply from 13 per cent in the third quarter to 16 per cent in the fourth.

Real personal disposable income is now estimated to have risen 5 per cent in the fourth quarter and to have risen by about 1 per cent between the second and third quarters. For 1977 as a whole, however, real personal disposable income declined by about 1 per cent.

At constant 1970 prices, consumers' expenditure is estimated to have risen 1 per cent in the fourth quarter and to have regained the level of the second half of 1976 following falls in the first half of 1977. The major movement in the fourth quarter was a rise of 6 per cent in expenditure on food, although this followed an unexpectedly sharp fall in the third quarter for this category. There were falls of 8 per cent in expenditure on wines and spirits and of 7 per cent on cars and motor cycles between the third and fourth quarters but other categories of expenditure were little changed.

Industrial and commercial companies sector (Table 6)

Gross trading profits of industrial and commercial companies (before providing for depreciation and stock appreciation) are estimated to be £8·2 billion in the half-year to end-December 1977, about the same as in the previous

half-year. After allowing for the substantial fall in stock appreciation (reflecting slower increases in wholesale prices) gross trading profits rose markedly by £1·1 billion to £7·0 billion in the latest half-year. However, there was little change in profits, after deducting stock appreciation, between the third and fourth quarters of 1977.

Gross trading profits of the off-shore oil and gas industry, also after deducting stock appreciation, were estimated to be £1·0 billion in the second half of 1977, little changed from the first half, but the growing impact of these operations on industrial and commercial companies profits can be seen in the following table:

Gross trading profits net of stock appreciation: industrial and commercial companies

	Seasonally adjusted					
	£ million					
	1976		1977			
	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr
Gross trading profits of North Sea oil and gas (MLH 104) ..	98	222	397	452	437	520
Gross trading profits excluding North Sea oil and gas ..	2,298	2,499	2,350	2,661	3,122	3,026
Total	2,396	2,721	2,747	3,113	3,559	3,546

North Sea profits rose very sharply to the first quarter of 1977, but with increased operating costs and exploration expenditure together with maintenance and repairs and the closure of a field in the second half of the year, profits rose less steeply in 1977.

Comparing 1977 as a whole with 1976, gross trading profits before deducting stock appreciation rose 13 per cent; after deducting stock appreciation the rise was 38 per cent, and also excluding the effect of North Sea oil and gas activities the rise in profits was 25 per cent.

Rent and non-trading income fell by around 30 per cent between the fourth quarter of 1976 and the fourth quarter of 1977, reflecting the general fall during 1977 of interest rates. Included in the non-trading income of industrial and commercial companies in the fourth quarter of 1977 were receipts of £117 million from financial companies, a reduction of £150 million as compared with the fourth quarter of 1976.

Income from abroad (net of foreign taxes) also fell over the same period (by 20 per cent), affected by the recovery of sterling in 1977.

Total income of industrial and commercial companies fell 3 per cent in the fourth quarter of 1977 but there was no discernible movement in this series for the last recorded five quarters.

Payments of dividends on ordinary shares in the fourth quarter of 1977 were £0·6 billion, about the same as in the third quarter and over 1977 as a whole these payments amounted to £2·2 billion, 17 per cent higher than in 1976. This increase is in excess of the 12½ per cent that companies are generally allowed to increase their dividends over the previous year and is accounted for by new stock issues and other special exemptions granted to certain companies. Profits due abroad (net of UK tax) of £0·3 billion in the fourth quarter of 1977 were lower than in the previous quarter but in 1977 as a whole they were £1·4 billion, almost 90 per cent higher than in 1976. Payments of UK taxes on income in 1977 at £1·8 billion were twice the amount paid in 1976, when stock relief allowances had greater effect.

These movements resulted in a fall in undistributed income of £0·5 billion in the second half of 1977 as compared with the first half but over the year as a whole undistributed income at £11·4 billion was unchanged from the 1976 figure.

Financial companies and institutions (Table 7)

A fall of 10 per cent in the rent and non-trading income of the banking sector was mainly responsible for a fall of 8 per cent in the total income of financial companies and institutions in the fourth quarter. Although short-term interest rates rose during the latter part of the fourth quarter, their average over the quarter was still lower than in the previous quarter and long-term interest rates continued to decline. Cuts in the mortgage rate also led to a fall of 5 per cent in building society interest receipts. For 1977 as a whole, rent and non-trading income of the banking sector fell 9 per cent, whereas for the building societies, slower to adjust their interest rates and with a substantial net inflow of funds for lending, income rose 18 per cent.

Similar movements in payments of interest by the financial sector have been recorded. Payments by the banking sector were at half the level of a year previously in the fourth quarter, whereas payments by building societies have declined only a little. The result of these movements is that the balance of undistributed income was down about 8 per cent in 1977 on 1976 with some evidence of a downward trend throughout the year.

Public corporations (Table 8)

After rising throughout 1976, the gross trading surpluses of public corporations remained at a roughly constant level throughout the quarters of 1977. During 1977 British Aerospace and British Shipbuilders were added to this sector, but this had little effect on overall movements in the trading surplus over the year. Between the third and fourth quarters, the trading surplus fell by 5 per cent whilst the receipts of subsidies increased by 15 per cent, leaving the trading surplus net of subsidies down by 10 per cent on the quarter. The performance during 1977 of the sector as a whole conceals very different levels of surpluses between individual corporations; very large surpluses were being recorded by the gas and electricity industries and by the Post Office, these being offset by the high losses of British Steel. Having fallen for the previous four quarters, rent and non-trading income was unchanged in the fourth quarter as interest rates stopped falling. Dealing with the allocation on income, interest payments to central government fell throughout last year, with the second half 7 per cent lower than the first half. Other debt interest, however, rose in the fourth quarter to leave little change between the two halves of the

year. The net effect of these movements has left the balance of undistributed income 3 per cent up between the two halves of last year.

Central government (Table 9)

Total central government receipts of income were unchanged in the fourth quarter. There was a drop over the quarter of 3½ per cent in taxes on income, due to the implementation of changes in personal allowances announced in October. Receipts of taxes on expenditure and national insurance contributions, however, increased by 4 per cent and 3 per cent respectively over the quarter. Receipts of interest declined from the high value recorded in the third quarter, when they were due to the inflow of foreign exchange reserves being held as interest bearing financial instruments. These receipts were still running at high levels, however; for the year as a whole they were 14 per cent higher than in 1976.

Total central government current expenditure increased by about 4 per cent in the fourth quarter. The main reason for this was a rise of around 8 per cent in current grants in the same period, following the rise in benefit rates which took place in November; the full effect of the re-rating will thus not be seen in the figures for the fourth quarter. Expenditure by central government on goods and services in current prices rose by only ½ per cent in the fourth quarter; there was a rise in national health expenditure, partly compensated by a fall in defence spending whilst other categories of central government final expenditure were virtually unchanged. Of other expenditure, debt interest fell slightly—it has remained flat throughout 1977—whilst current grants to local authorities, although they increased in the fourth quarter, are no higher than 18 months previously.

At constant 1970 prices the expenditure on goods and services by the general government sector (i.e. including local authorities) has been virtually unchanged for the past two years.

Local authorities (Table 10)

Total current receipts of local authorities were 5 per cent higher in the fourth quarter with almost the whole of this increase coming from an increase in grants from central government. Other categories of income were little changed. Central government grants to local authorities, whilst volatile, are slightly lower for 1977 as a whole than in 1976, although this reflects timing differences in the payment of grants. The financial year 1977/78 is expected to be 6½ per cent higher than 1976/77. The 5 per cent increase in total income for 1977 as a whole derives from an 11 per cent increase in rate income (after accruals adjustment) and a rise in rent, dividends and interest of around 10 per cent.

Total current expenditure by local authorities was almost unchanged between the third and fourth quarters. A fall in local authority passenger transport subsidies was offset by a rise in current grants, but otherwise expenditure on both final consumption and debt interest was virtually unchanged. Over the year as a whole, final consumption of local authorities rose by about 9 per cent, mostly due to rises in wages and salaries paid from the second quarter onwards. The net effect of these movements was for the current surplus of local authorities to increase by around £230 million in the fourth quarter, though for 1977 as a whole it fell by £530 million.

International transactions (Table 11)

The surplus on current account in the fourth quarter of 1977 was £350 million compared with £480 million in the third quarter. There was little change in the small surplus of trade in goods with the majority of the movement between the quarters being due to a fall in the surplus on services mainly caused by a sharp deterioration in the travel account.

At 1970 prices exports of goods and services fell by 5 per cent and 4 per cent respectively between the third and fourth quarters, compared with a fall of 2 per cent in imports of goods and 1 per cent in imports of services.

Between the two halves of 1977 the current account moved from a deficit of £870 million to a surplus of £835 million. This improvement reflects an improvement of £1,800 million in the balance on visible trade. Although the deficit on trade in oil continued to decline, most of the improvement between the two halves of 1977 was in trade in other goods. At constant 1970 prices†, the volume of exports of goods increased by 4½ per cent between the two halves of 1977, while imports of goods fell by 2 per cent (½ per cent if the imports of major North Sea installations are excluded). Exports of services at 1970 prices fell by 1 per cent and imports of services by 2½ per cent.

Summary capital account (Table 12)

In the second half of 1977 total domestic saving was little changed from the first half, although within this total the personal sector increased its saving by around £0·5 billion (mostly due to unspent tax rebates in the fourth quarter), with a roughly equal decline in saving by companies and financial institutions. Gross capital formation fell by over £2·3 billion between the two halves of the year largely due to the decline in both fixed investment and the value of stocks of industrial and commercial companies.

The net acquisition of financial assets by industrial and commercial companies moved from a financial deficit of around £2 billion in the first half of 1977 to a surplus of £0·2 billion in the second half, a movement which was reflected in the overseas sector whose financial surplus of £0·9 billion in the earlier period turned to a deficit of a similar amount.

The most significant change between the years 1976 and 1977 was the reduction in the size of the financial deficit of the public sector (public corporations, central and local government), from £8·4 billion in 1976 to £5·7 billion in the following year.

Gross domestic fixed capital formation (Tables 14 and 15)

The total volume of fixed investment is now estimated to have fallen in both the third and fourth quarters of last year. There were offsetting movements in many of the

† Estimates published by the Department of Trade at constant 1975 prices may show different rates of increase.

detailed components of fixed investment between the quarters. Comparing the second half of the year with the first half, however, there was an increase of 4 per cent in private sector investment compared with falls of 11 per cent in public authorities and 8 per cent in public corporations. Looking at investment by type of asset, plant and machinery rose slightly (by 2 per cent) over the half-year, private dwellings rose by 15 per cent and public dwellings fell 7 per cent. Investment by the manufacturing industry rose 7 per cent in volume over the same period, or by 9 per cent if metal manufacturing is excluded.

The total volume of investment in 1977 was lower than in any year since 1967. The aggregate measure, however, conceals marked differences between the private and public sectors, and between buildings and works and other types of assets – public sector and buildings and works investment showed very marked declines from their peak values, and investment in 1977 was at the same sort of level as in the mid-1960s. On the other hand, private sector investment and investment in plant and machinery and in vehicles, ships and aircraft changed little over the last three years.

Value of the physical increase in stocks and work in progress (Table 16)

The level of stocks held valued at 1970 prices is estimated to have been virtually unchanged in the third and fourth quarters of last year, following major stockbuilding in the previous three quarters. In the third and fourth quarters there were falls in the volume of stocks held by manufacturers and retailers, with rises elsewhere. Retailers in particular show little or no stockbuilding for the year, following a sharp rise in the first quarter. Similarly stocks of materials and fuels held by manufacturers were back to levels of a year earlier, although their stocks of work in progress and finished goods both increased over this period. The recent pattern can be seen partly as a reaction to earlier high levels of stockbuilding, which was probably involuntary.

Revisions

Construction

Improved price indices for building work have been introduced into this set of national accounts. Previously, a single cost of new construction index was used for deflation purposes, based on current costs of materials and labour. An increase in information available about tender prices has made possible the calculation of five separate deflators which will be known as 'outturn tender price indices'. The new indices affect estimates at 1970 prices of output of the construction industry, the volume of fixed investment in dwellings and other building work, and the level of stocks held by the construction industry. Revisions due to the new price indices, which extend back to 1970, are small and upward in 1977, more marked and downward for 1974–76, and relatively small and downward in 1971–73. In general, the contribution of the construction industry to GDP in volume terms has been reduced for recent years. The main changes over these recent years are summarised opposite:

Increase/decrease due to adoption of new construction price indices

		1970 prices			
		1974	1975	1976	1977
GDP (O)	(per cent)	−0·2	−0·4	−0·3	0·0
Construction output ..	(per cent)	−4·2	−7·0	−5·0	+0·2
GDP (E)	(per cent)	−0·7	−1·0	−0·6	+0·2
Total stockbuilding ..	(£m)	−48	−28	− 4	− 2
Total GDFCF ..	(per cent)	−2·8	−4·2	−2·9	+1·1
GDFCF in Dwellings	(per cent)	−3·9	−5·9	−5·2	+0·7
Other building work	(per cent)	−6·8	−9·7	−6·3	+5·0
Private sector	(per cent)	−3·9	−3·3	−1·3	+0·5
Public sector	(per cent)	−1·2	−5·4	−5·1	+2·1
Manufacturing	(per cent)	−3·2	−2·9	−1·6	0·0
Distribution and services (excluding shipping)	(per cent)	−4·7	−5·6	−3·7	−0·4

Consumers' expenditure

The consumers' expenditure estimates incorporate major revisions to the following series:

Food (from 1966) estimates for butter, liquid milk and other manufactured food have been increased.

Alcoholic drink (from 1973) estimates of the proportions of wines and spirits sold through off-licences have generally been increased, leading to a reduction in the estimates of expenditure.

Housing (from 1973) revisions to estimates of local authority rent receipts and to the imputed rent of owner-occupiers.

Other services: revision to consumers' expenditure abroad (from 1966) to exclude pay of locally engaged staff from the pay of HM forces stationed abroad; and downward revision to the estimates for insurance from 1975.

The table below summarises the revisions. It includes the effect, for the components shown, of other minor revisions not mentioned above.

Consumers' expenditure revisions

	Constant (1970) prices £ million				
	Consumers' expenditure	Food	Alcoholic drink	Housing	Other services
1974	+51	+54	− 9	+94	−93
1975	+12	+17	−31	+95	−72
1976	+ 1	+30	−49	+91	−74

Agriculture

Estimates of stocks, investment and income for the agricultural sector have been revised. These were previously prepared on a crop-year (May to April) basis but are now on a calendar year basis. Quarterly figures are still obtained by interpolation.

[1] *Economic Trends*, No 234, April 1973.

Central Statistical Office

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*The tables show annual figures from 1972 and quarterly figures from 1975.

APPENDIX

Expenditure on the gross domestic product

TABLE 1

£ million

	Gross domestic product at factor cost[1]	Final expenditure on goods and services at market prices: Total		Consumers' expenditure	Current expenditure of general government	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Imports of goods and services	Taxes on expenditure	Subsidies
		Unadjusted	Seasonally adjusted								
At current prices											
1973	63,581	91,178		45,204	13,269	14,075	1,460[2]	17,170	18,926	10,122[2]	1,451
1974	73,656	109,452		51,962	16,591	16,918	1,053	22,928	27,343	11,466	3,013
1975	92,929	132,174		63,303	22,908	20,708	−1,644	26,899	28,938	14,154	3,847
1976	109,065	158,727		73,424	26,514	23,528	303	34,958	36,512	16,563	3,413
1977	122,453	181,786		83,239	29,101	25,061	1,250	43,135	42,237	20,354	3,258
1975 *1*	21,114	29,790	30,806	13,988	5,450	4,957	−767	6,162	6,860	2,934	1,118
2	22,223	31,885	32,100	15,493	5,420	4,763	−424	6,633	7,065	3,514	917
3	23,566	33,876	33,902	16,238	5,858	5,364	−313	6,729	7,460	3,745	895
4	26,026	36,623	35,366	17,584	6,180	5,624	−140	7,375	7,553	3,961	917
1976 *1*	25,432	36,153	36,958	16,657	6,367	5,833	−429	7,725	7,829	3,697	805
2	26,131	38,301	38,710	17,690	6,570	5,430	29	8,582	9,069	4,036	935
3	27,605	40,391	40,610	18,601	6,695	5,942	220	8,933	9,439	4,198	851
4	29,897	43,882	42,449	20,476	6,882	6,323	483	9,718	10,175	4,632	822
1977 *1*	28,618	42,323	43,610	19,020	7,019	6,088	199	9,997	10,363	4,214	872
2	29,532	44,666	45,058	20,092	7,303	5,906	537	10,828	10,905	5,047	818
3	31,232	46,459	46,565	21,191	7,337	6,313	254	11,364	10,689	5,314	776
4	33,071	48,338	46,553	22,936	7,442	6,754	260	10,946	10,280	5,779	792
Revalued at 1970 prices										Adjustment to factor cost[3]	
1973	48,354	71,718		36,132	10,020	10,233	1,365	13,968	14,393	8,971	
1974	47,732	71,294		35,682	10,233	10,001	561	14,817	14,681	8,881	
1975	46,727	69,222		35,269	10,794	9,640	−842	14,361	13,689	8,806	
1976	48,196	71,415		35,406	11,050	9,444	97	15,418	14,207	9,012	
1977	48,194	71,997		35,133	11,027	9,072	423	1,6342	14,748	9,055	
Unadjusted											
1975 *1*	11,456	16,955		8,536	2,690	2,527	−324	3,526	3,373	2,126	
2	11,474	17,057		8,752	2,649	2,269	−239	3,626	3,429	2,154	
3	11,527	17,175		8,729	2,703	2,414	−177	3,506	3,483	2,165	
4	12,270	18,035		9,252	2,752	2,430	−102	3,703	3,404	2,361	
1976 *1*	11,681	17,154		8,360	2,789	2,445	−136	3,696	3,372	2,101	
2	11,692	17,451		8,633	2,764	2,208	− 22	3,868	3,585	2,174	
3	12,042	17,869		8,859	2,740	2,351	59	3,860	3,606	2,221	
4	12,781	18,941		9,554	2,757	2,440	196	3,994	3,644	2,516	
1977 *1*	11,628	17,439		8,331	2,778	2,297	111	3,922	3,687	2,124	
2	11,844	17,761		8,482	2,778	2,167	197	4,137	3,761	2,156	
3	12,085	18,024		8,786	2,722	2,249	23	4,244	3,696	2,243	
4	12,637	18,773		9,534	2,749	2,359	92	4,039	3,604	2,532	
Seasonally adjusted											
1975 *1*	11,871		17,552	8,995	2,656	2,433	−197	3,665	3,428	2,253	
2	11,737		17,224	8,901	2,671	2,392	−241	3,501	3,314	2,173	
3	11,520		17,187	8,731	2,721	2,459	−224	3,500	3,490	2,177	
4	11,599		17,259	8,642	2,746	2,356	−180	3,695	3,457	2,203	
1976 *1*	12,033		17,639	8,806	2,746	2,378	− 1	3,710	3,370	2,236	
2	11,972		17,704	8,793	2,775	2,346	− 12	3,802	3,528	2,204	
3	12,026		17,922	8,879	2,769	2,377	5	3,892	3,648	2,248	
4	12,165		18,150	8,928	2,760	2,343	105	4,014	3,661	2,324	
1977 *1*	11,987		17,979	8,758	2,751	2,260	233	3,977	3,738	2,254	
2	12,121		18,006	8,644	2,766	2,293	228	4,075	3,709	2,176	
3	12,123		18,076	8,831	2,759	2,265	−31	4,252	3,686	2,267	
4	11,963		17,936	8,900	2,751	2,254	− 7	4,038	3,615	2,358	

[1] Equals total final expenditure on goods and services at market prices *less* imports of goods and services *less* adjustment to factor cost. Estimates of the gross domestic product at constant factor cost based on statistics of output and income are given in Table 3, and in the text of the article.

[2] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT; the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

[3] This represents taxes on expenditure *less* subsidies valued at constant rates.

Factor incomes in the gross national product

TABLE 2

£ million

	Gross national product		Net property income from abroad	Gross domestic product at factor cost	Factor incomes						*less* Stock appreciation	Residual error
	At market prices	At factor cost			Total domestic income[1]	Income from employment[2]	Gross trading profits of companies	Gross trading surplus of public corporations[1]	Gross trading surplus of general government enterprises[1]	Other income[3]		
1973	73,755	64,904	1,323	63,581	66,482	43,571	9,097	2,063	140	11,611	−3,211	310
1974	83,415	74,962	1,306	73,656	78,849	52,738	9,655	2,556	130	13,770	−6,386	1,193
1975	104,136	93,829	900	92,929	97,911	68,674	9,768	3,067	151	16,251	−5,342	360
1976	123,523	110,373	1,308	109,065	114,760	78,624	12,443	4,460	189	19,044	−6,663	968
1977	139,832	122,736	283	122,453	127,125	86,314	14,431	5,164	171	21,045	−4,600	− 72
Unadjusted												
1975 *1*	23,103	21,287	173	21,114	22,907	15,937	2,394	742	40	3,794	−1,703	− 90
2	25,020	22,423	200	22,223	23,787	16,731	2,402	650	31	3,973	−1,266	−298
3	26,664	23,814	248	23,566	24,554	17,726	2,111	559	37	4,121	−1,144	156
4	29,349	26,305	279	26,026	26,663	18,280	2,861	1,116	43	4,363	−1,229	592
1976 *1*	28,587	25,695	263	25,432	26,601	18,537	2,546	1,014	50	4,454	−1,460	291
2	29,552	26,451	320	26,131	28,263	19,458	3,085	1,023	31	4,666	−1,677	−455
3	31,331	27,984	379	27,605	28,852	20,094	2,887	971	60	4,840	−1,714	467
4	34,053	30,243	346	29,897	31,044	20,535	3,925	1,452	48	5,084	−1,812	665
1977 *1*	32,120	28,778	160	28,618	30,978	20,780	3,678	1,431	56	5,033	−1,948	−412
2	33,780	29,551	19	29,532	31,365	21,331	3,666	1,149	43	5,176	−1,211	−622
3	35,859	31,321	89	31,232	31,514	21,777	3,266	1,094	48	5,329	− 788	506
4	38,073	33,086	15	33,071	33,268	22,426	3,821	1,490	24	5,507	− 653	456
Seasonally adjusted												
1975 *1*	23,924	21,890	184	21,706	23,077	16,069	2,416	717	40	3,835	−1,703	332
2	25,470	22,884	183	22,701	23,813	16,730	2,351	715	31	3,986	−1,266	154
3	26,702	23,867	243	23,624	24,844	17,689	2,323	670	37	4,125	−1,144	− 76
4	28,040	25,188	290	24,898	26,177	18,186	2,678	965	43	4,305	−1,229	− 50
1976 *1*	29,344	26,193	290	25,903	26,806	18,711	2,570	974	50	4,501	−1,460	557
2	30,098	27,007	316	26,691	28,209	19,362	3,030	1,106	31	4,680	−1,677	159
3	31,461	28,127	365	27,762	29,289	20,010	3,200	1,175	60	4,844	−1,714	187
4	32,620	29,046	337	28,709	30,456	20,541	3,643	1,205	48	5,019	−1,812	65
1977 *1*	33,260	29,623	172	29,451	31,164	20,972	3,699	1,351	56	5,086	−1,948	235
2	34,313	30,098	30	30,068	31,281	21,229	3,583	1,236	43	5,190	−1,211	− 2
3	36,008	31,476	57	31,419	32,007	21,679	3,622	1,326	48	5,332	− 788	200
4	36,251	31,539	24	31,515	32,673	22,434	3,527	1,251	24	5,437	− 653	−505

[1] Before providing for depreciation and stock appreciation.
[2] Wages and salaries, forces' pay and employers' contributions.
[3] Income from rent and self-employment and the imputed charge for consumption of non-trading capital.

Index numbers of output at constant factor cost

TABLE 3

1970 = 100

	Gross domestic product[1,2,3]	Agriculture, forestry and fishing	Industrial production					Transport and communication	Distributive trades	Other services
			Total[2]	Mining and quarrying[4]	Manufacturing[2]	Construction[4]	Gas, electricity and water[4]			
1970 weights	*1,000*	*30*	*439*	*16*	*327*	*64*	*32*	*84*	*104*	*343*
1973	110·7	111	110·0	92·6	110·5	107·9	118·3	116	114	109
1974	109·6	116	106·4	78·8	109·1	93·8	118·9	116	112	111
1975	107·4	111	100·2	86·0	101·6	86·1	120·8	117	110	114
1976	108·7	101	101·1	89·4	102·8	84·5	123·5	118	110	116
1977	110·4	106	102·5	103·8	103·8	83·2	128·0	123	109	118
Seasonally adjusted										
1975 *1*	109·2	115	103·8	86·5	106·3	87·1	120·5	117	113	113
2	107·3	112	99·6	85·6	100·8	86·3	121·9	118	110	113
3	106·4	109	98·0	85·3	99·1	85·4	118·3	117	107	114
4	106·8	106	99·2	86·7	100·3	85·7	122·6	116	108	114
1976 *1*	108·1	104	100·2	86·7	101·3	86·0	124·8	117	110	116
2	108·4	104	100·9	89·2	102·4	84·6	124·0	117	110	116
3	108·3	100	100·2	87·3	102·6	81·9	119·9	118	111	116
4	110·2	97	103·2	94·4	105·0	85·7	125·3	120	110	118
1977 *1*	110·6	98	103·2	102·4	105·3	80·9	127·7	123	109	118
2	109·5	102	102·4	104·0	103·6	81·7	131·3	123	107	117
3	110·6	110	102·4	105·1	103·2	84·3	128·7	123	110	118
4	110·8	114	102·0	103·6	102·9	85·8	124·4	125	110	119

[1] Alternative estimates of the gross domestic product are given in the text of the article and in Table 1.

[2] The figures are adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. An analysis of industrial production is given on page 26, but will differ from the series shown here because the adjustment included is not available monthly. There may also be differences because page 26 includes the latest information.

[3] Total output other than exploration for, and extraction of, petroleum and natural gas (MLH 104) is as follows:

1976	*1*	108·0	1977	*1*	110·2
	2	108·2		*2*	109·1
	3	108·2		*3*	110·2
	4	109·9		*4*	110·4

[4] This series may not be fully consistent with that shown on page 26, which includes the latest information.

Personal income, expenditure and saving

TABLE 4

£ million

	Personal income before tax													Personal disposable income at 1970 prices[10]
	Total[1]	Wages and salaries	Forces' pay	Employers' contributions[2]	Current grants from general government[3]	Other personal income[4,5]	Transfers abroad (net)	UK taxes on income (payments)[6]	National insurance, etc. contributions	Total personal disposable income[7,8]	Consumers' expenditure	Balance: personal saving[8,9]		
1973	63,092	38,024	925	4,622	6,420	13,101	91	7,781	3,937	51,283	45,204	6,079	*11·9*	40,991
1974	76,120	45,856	1,071	5,811	7,869	15,513	86	10,430	5,000	60,604	51,962	8,642	*14·3*	41,616
1975	96,884	59,300	1,283	8,091	10,194	18,016	96	15,097	6,839	74,852	63,303	11,549	*15·4*	41,703
1976	112,386	67,185	1,473	9,966	12,824	20,938	69	17,610	8,419	86,288	73,424	12,864	*14·9*	41,609
1977	125,205	73,765	1,499	11,050	15,237	23,654	107	18,299	9,451	97,348	83,239	14,109	*14·5*	41,088
Unadjusted														
1975 *1*	22,397	13,849	280	1,808	2,146	4,314	11	3,645	1,526	17,215	13,988	3,227	*18·7*	10,490
2	23,549	14,427	306	1,998	2,565	4,253	32	3,470	1,699	18,348	15,493	2,855	*15·6*	10,350
3	25,137	15,274	338	2,114	2,655	4,756	22	3,981	1,782	19,352	16,238	3,114	*16·1*	10,388
4	25,801	15,750	359	2,171	2,828	4,693	31	4,001	1,832	19,937	17,584	2,353	*11·8*	10,475
1976 *1*	26,757	15,911	354	2,272	3,088	5,132	37	4,511	1,855	20,354	16,657	3,697	*18·2*	10,206
2	27,528	16,629	351	2,478	3,155	4,915	12	4,364	2,131	21,021	17,690	3,331	*15·8*	10,249
3	28,809	17,137	390	2,567	3,188	5,527	9	4,173	2,191	22,436	18,601	3,835	*17·1*	10,676
4	29,292	17,508	378	2,649	3,393	5,364	11	4,562	2,242	22,477	20,476	2,001	*8·9*	10,478
1977 *1*	30,164	17,742	355	2,683	3,594	5,790	28	4,954	2,251	22,931	19,020	3,911	*17·0*	10,040
2	30,631	18,215	376	2,740	3,754	5,546	13	4,562	2,359	23,697	20,092	3,605	*15·2*	10,000
3	31,796	18,610	390	2,777	3,806	6,213	22	4,610	2,390	24,774	21,191	3,583	*14·5*	10,267
4	32,614	19,198	378	2,850	4,083	6,105	44	4,173	2,451	25,946	22,936	3,010	*11·6*	10,781
Seasonally adjusted														
1975 *1*	22,541	13,981	280	1,808	2,140	4,332	11	3,507	1,526	17,497	14,709	2,788	*15·9*	10,700
2	23,666	14,426	306	1,998	2,553	4,383	32	3,607	1,699	18,328	15,698	2,630	*14·4*	10,393
3	24,912	15,237	338	2,114	2,672	4,551	22	3,883	1,782	19,225	16,241	2,984	*15·5*	10,335
4	25,765	15,656	359	2,171	2,829	4,750	31	4,100	1,832	19,802	16,655	3,147	*15·9*	10,275
1976 *1*	26,968	16,085	354	2,272	3,079	5,178	37	4,314	1,855	20,762	17,478	3,284	*15·8*	10,458
2	27,588	16,533	351	2,478	3,125	5,101	12	4,465	2,131	20,980	17,906	3,074	*14·7*	10,300
3	28,376	17,053	390	2,567	3,213	5,153	9	4,124	2,191	22,052	18,646	3,406	*15·4*	10,498
4	29,454	17,514	378	2,649	3,407	5,506	11	4,707	2,242	22,494	19,394	3,100	*13·8*	10,353
1977 *1*	30,444	17,934	355	2,683	3,605	5,867	28	4,747	2,251	23,418	19,890	3,528	*15·1*	10,312
2	30,665	18,113	376	2,740	3,728	5,708	13	4,697	2,359	23,596	20,325	3,271	*13·9*	10,035
3	31,417	18,512	390	2,777	3,801	5,937	22	4,565	2,390	24,440	21,314	3,126	*12·8*	10,126
4	32,679	19,206	378	2.850	4,103	6,142	44	4,290	2,451	25,894	21,710	4,184	*16·1*	10,615

[1] Before providing for depreciation and stock appreciation.
[2] Employers' contributions to national insurance, etc. and pension funds.
[3] National insurance benefits, family allowances, assistance grants, war pensions and service grants, etc.
[4] Income from rent and self-employment, before providing for depreciation and stock appreciation, dividend and net interest receipts, and transfers to charities from companies and an imputed charge for capital consumption of private, non-profit-making bodies.
[5] From the second quarter of 1973 includes tax credits on dividends.
[6] From the second quarter of 1973 includes imputed tax payments set against tax credits on dividends *less* payments of these tax credits by the Inland Revenue.
[7] Equals total personal income before tax *less* payments of taxes on income, national insurance, etc. contributions and net transfers abroad.
[8] Before providing for depreciation, stock appreciation and additions to tax reserves.
[9] Personal saving as a percentage of total personal disposable income is shown in italics.
[10] Personal disposable income revalued by the implied consumers' expenditure deflator (1970 = 100).

Appropriation account of companies and financial institutions

TABLE 5

£ million

	Income						Allocation of income					
		Income arising in the United Kingdom					Dividends and interest, etc.					
		Gross trading profits										
	Total[1]	After deducting stock appreciation	Stock appreciation	Total[2]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance: undistributed income[5]	Taxes paid abroad on income from abroad[1]
1972	11,859	6,407	1,062	7,469	2,963	1,427	1,613	2,276	629	1,477	5,864	*1,753*
1973	15,876	6,502	2,595	9,097	4,242	2,537	1,695	3,336	754	1,895	8,196	*2,549*
1974	17,689	4,640	5,015	9,655	5,317	2,717	1,518	4,377	655	2,815	8,324	*4,176*
1975	17,902	5,620	4,148	9,768	5,671	2,463	1,645	4,536	622	2,256	8,843	*3,625*
1976	22,652	7,220	5,223	12,443	6,823	3,386	1,940	4,937	999	2,050	12,726	*4,251*
1977	24,852	10,895	3,536	14,431	7,224	3,197	2,286	5,163	1,725	3,142	12,536	*4,044*
Unadjusted												
1975 *1*	4,381	1,104	1,290	2,394	1,391	596	347	1,128	174	1,331	1,401	*974*
2	4,364	1,407	995	2,402	1,368	594	482	1,098	184	340	2,260	*926*
3	4,110	1,207	904	2,111	1,409	590	414	1,098	112	288	2,198	*950*
4	5,047	1,902	959	2,861	1,503	683	402	1,212	152	297	2,984	*775*
1976 *1*	4,799	1,430	1,116	2,546	1,507	746	380	1,109	264	1,101	1,945	*1,002*
2	5,526	1,800	1,285	3,085	1,620	821	568	1,180	223	305	3,250	*1,026*
3	5,499	1,546	1,341	2,887	1,738	874	490	1,198	225	378	3,208	*1,115*
4	6,828	2,444	1,481	3,925	1,958	945	502	1,450	287	266	4,323	*1,108*
1977 *1*	6,371	2,216	1,462	3,678	1,869	824	427	1,378	382	1,633	2,551	*1,059*
2	6,326	2,681	985	3,666	1,820	840	641	1,313	460	523	3,389	*1,088*
3	5,845	2,683	583	3,266	1,802	777	600	1,233	448	450	3,114	*988*
4	6,310	3,315	506	3,821	1,733	756	618	1,239	435	536	3,482	*909*
Seasonally adjusted												
1975 *1*	4,418	1,126	1,290	2,416	1,392	610	440	1,176	177	542	2,083	*934*
2	4,298	1,356	995	2,351	1,368	579	397	1,092	177	581	2,051	*908*
3	4,336	1,419	904	2,323	1,406	607	394	1,099	130	562	2,151	*1,029*
4	4,850	1,719	959	2,678	1,505	667	414	1,169	138	571	2,558	*754*
1976 *1*	4,839	1,454	1,116	2,570	1,504	765	539	1,146	268	362	2,524	*975*
2	5,456	1,745	1,285	3,030	1,623	803	468	1,174	211	534	3,069	*1,018*
3	5,831	1,859	1,341	3,200	1,734	897	416	1,207	259	512	3,437	*1,169*
4	6,526	2,162	1,481	3,643	1,962	921	517	1,410	261	642	3,696	*1,089*
1977 *1*	6,425	2,237	1,462	3,699	1,879	847	589	1,413	388	666	3,369	*1,053*
2	6,216	2,598	985	3,583	1,813	820	514	1,304	443	709	3,246	*1,080*
3	6,223	3,039	583	3,622	1,803	798	563	1,242	485	807	3,126	*1,037*
4	5,988	3,021	506	3,527	1,729	732	620	1,204	409	960	2,795	*874*

[1] Taxes paid abroad are not included in total income, but are shown only as a memorandum item.

[2] Before providing for depreciation and stock appreciation.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

[4] Payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. The amounts of advance corporation tax paid since 6 April 1973, gross of repayments and including the additional charge in the financial year 1974—75, are as follows (£ million):

		1973	*1974*	*1975*	*1976*	*1977*
Quarter	*1*	—	153	289	270	315
	2	4	201	181	203	248
	3	134	392	255	282	346
	4	138	275	212	259	303
Year		276	1,021	937	1,014	1,212

[5] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of industrial and commercial companies

TABLE 6

£ million

		Income							Allocation of income						
		Income arising in the United Kingdom							Dividends and interest, etc.						
		Gross trading profits			Rent and non-trading income										
		Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other[3]	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[2]
1972		9,928	7,102	1,062	8,164	650	*196*	1,114	1,524	1,510	*969*	549	1,082	5,263	*1,592*
1973		13,138	7,320	2,595	9,915	1,065	*501*	2,158	1,638	2,365	*1,806*	665	1,156	7,314	*2,359*
1974		14,896	6,190	5,015	11,205	1,372	*695*	2,319	1,469	3,340	*2,716*	524	2,022	7,541	*4,012*
1975		14,791	7,398	4,148	11,546	1,351	*619*	1,894	1,608	3,309	*2,674*	447	1,263	8,164	*3,414*
1976		18,739	9,330	5,223	14,553	1,682	*802*	2,504	1,895	3,772	*3,120*	765	850	11,457	*3,911*
1977		20,498	12,965	3,536	16,501	1,526	*636*	2,471	2,219	3,694	*3,048*	1,429	1,794	11,362	*3,682*
Unadjusted															
1975	*1*	3,642	1,545	1,290	2,835	338	*150*	469	342	833	*706*	120	437	1,910	*926*
	2	3,594	1,859	995	2,854	300	*130*	440	456	806	*654*	130	295	1,907	*870*
	3	3,348	1,646	904	2,550	338	*157*	460	406	792	*633*	79	258	1,813	*897*
	4	4,207	2,348	959	3,307	375	*182*	525	404	878	*681*	118	273	2,534	*721*
1976	*1*	3,955	1,931	1,116	3,047	357	*157*	551	368	800	*666*	197	11	2,579	*921*
	2	4,605	2,313	1,285	3,598	396	*178*	611	537	864	*710*	156	256	2,792	*943*
	3	4,500	2,083	1,341	3,424	425	*200*	651	486	939	*773*	175	346	2,554	*1,027*
	4	5,679	3,003	1,481	4,484	504	*267*	691	504	1,169	*971*	237	237	3,532	*1,020*
1977	*1*	5,288	2,726	1,462	4,188	449	*227*	651	413	1,043	*904*	308	412	3,112	*969*
	2	5,224	3,196	985	4,181	373	*152*	670	609	919	*770*	386	468	2,842	*1,001*
	3	4,737	3,203	583	3,786	363	*140*	588	583	891	*728*	374	408	2,481	*896*
	4	5,249	3,840	506	4,346	341	*117*	562	614	841	*646*	361	506	2,927	*816*
Seasonally adjusted															
1975	*1*	3,669	1,567	1,290	2,857	338	*150*	474	431	868	*711*	123	304	1,943	*886*
	2	3,539	1,808	995	2,803	303	*130*	433	377	800	*641*	123	325	1,914	*852*
	3	3,572	1,858	904	2,762	338	*157*	472	389	801	*637*	97	315	1,970	*976*
	4	4,011	2,165	959	3,124	372	*182*	515	411	840	*685*	104	319	2,337	*700*
1976	*1*	3,984	1,955	1,116	3,071	356	*157*	557	523	839	*672*	201	150	2,271	*894*
	2	4,547	2,258	1,285	3,543	399	*178*	605	445	858	*697*	144	221	2,879	*935*
	3	4,831	2,396	1,341	3,737	425	*200*	669	414	946	*776*	209	212	3,050	*1,081*
	4	5,377	2,721	1,481	4,202	502	*267*	673	513	1,129	*975*	211	267	3,257	*1,001*
1977	*1*	5,318	2,747	1,462	4,209	449	*227*	660	574	1,087	*910*	314	380	2,963	*963*
	2	5,141	3,113	985	4,098	376	*152*	667	492	913	*756*	369	405	2,962	*993*
	3	5,103	3,559	583	4,142	362	*140*	599	542	891	*730*	411	461	2,798	*945*
	4	4,936	3,546	506	4,052	339	*117*	545	611	803	*652*	335	548	2,639	*781*

[1] Before providing for depreciation and stock appreciation.

[2] These items are included solely as memorandum items.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[4] The residual of all companies payments and accruals of financial companies and institutions taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973). Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the fourth quarter of 1977 the amount of advance corporation tax included was £261 million.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of financial companies and institutions

TABLE 7

£ million

	Income						Allocation of income							
		Income arising in the United Kingdom					Dividends and interest payments, etc.							
			Rent and non-trading income					Other interest payments						
	Total	Gross trading profits[1,2]	of the banking sector	of building societies	Other	Income from abroad (net of taxes paid abroad)	Dividends and debenture and loan interest payments[3]	by the banking sector	by building societies	Other	Profits due abroad (net of UK tax)	UK taxes on income[4]	Balance: undistributed income[5]	Taxes paid abroad on income from abroad[6]
1972	3,096	−695	1,689	1,085	704	313	329	564	923	204	80	395	601	*161*
1973	5,045	−818	3,238	1,467	779	379	307	1,418	1,361	249	89	739	882	*190*
1974	6,204	−1,550	4,608	1,930	818	398	277	2,201	1,743	276	131	793	783	*164*
1975	6,404	−1,778	4,493	2,248	872	569	298	1,968	2,002	289	175	993	679	*211*
1976	7,835	−2,110	5,321	2,650	1,092	882	326	2,197	2,298	311	234	1,200	1,269	*340*
1977	8,038	−2,070	4,853	3,131	1,398	726	379	1,766	2,733	342	296	1,348	1,174	*362*
Unadjusted														
1975 *1*	1,595	−441	1,188	519	202	127	59	538	486	73	54	894	−509	*48*
2	1,554	−452	1,077	548	227	154	99	437	496	70	54	45	353	*56*
3	1,552	−439	1,067	577	217	130	72	462	498	72	33	30	385	*53*
4	1,703	−446	1,161	604	226	158	68	531	522	74	34	24	450	*54*
1976 *1*	1,667	−501	1,132	611	230	195	69	448	551	76	67	1,090	−634	*81*
2	1,809	−513	1,186	644	282	210	113	497	550	75	67	49	458	*83*
3	1,972	−537	1,331	673	282	223	72	533	554	77	50	32	654	*88*
4	2,387	−559	1,672	722	298	254	72	719	643	83	50	29	791	*88*
1977 *1*	2,214	−510	1,452	785	314	173	75	598	718	89	74	1,221	−561	*90*
2	2,024	−515	1,205	800	364	170	123	445	699	81	74	55	547	*87*
3	1,976	−520	1,158	790	359	189	99	378	664	86	74	42	633	*92*
4	1,824	−525	1,038	756	361	194	82	345	652	86	74	30	555	*93*
Seasonally adjusted														
1975 *1*	1,610	−441	1,188	520	207	136	68	538	499	73	54	238	140	*48*
2	1,530	−452	1,077	545	214	146	82	437	494	70	54	256	137	*56*
3	1,558	−439	1,067	574	221	135	70	462	493	72	33	247	181	*53*
4	1,706	−446	1,161	609	230	152	78	531	516	74	34	252	221	*54*
1976 *1*	1,684	−501	1,132	609	236	208	77	448	551	76	67	212	253	*81*
2	1,784	−513	1,186	644	269	198	94	497	548	75	67	313	190	*83*
3	1,976	−537	1,331	669	285	228	71	533	558	77	50	300	387	*88*
4	2,391	−559	1,672	728	302	248	84	719	641	83	50	375	439	*88*
1977 *1*	2,244	−510	1,452	795	320	187	81	598	710	89	74	286	406	*90*
2	1,983	−515	1,205	790	350	153	101	445	694	81	74	304	284	*87*
3	1,990	−520	1,158	792	361	199	105	378	673	86	74	346	328	*92*
4	1,821	−525	1,038	754	367	187	92	345	656	86	74	412	156	*93*

[1] Before providing for depreciation and stock appreciation, but the latter is negligible.

[2] This represents the contribution of financial companies and institutions to the gross domestic product. It is the difference between bank charges, commissions, etc., on the one hand and management expenses (wages and salaries and payments for current expenses) on the other.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

[4] The accrual of corporation tax on taxable income including from 6 April 1973 advance corporation tax due from financial companies and institutions.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

[6] This item is shown only as a memorandum item.

Appropriation account of public corporations

TABLE 8

£ million

	Income					Allocation of income				
						Interest and dividends (payments)			UK taxes on income (payments)[2]	Balance: undistributed income[3]
	Total	Gross trading surplus[1]	*of which* Subsidies	Rent and non-trading income	Income from abroad	Total	To general government	Other		
1973	2,408	2,063	654	325	20	1,133	889	244	8	1,267
1974	2,989	2,556	1,337	404	29	1,588	1,157	431	11	1,390
1975	3,559	3,067	1,230	452	40	1,918	1,338	580	13	1,628
1976	5,139	4,460	995	629	50	2,369	1,655	714	2	2,768
1977	5,896	5,164	1,014	678	54	2,464	1,780	684	10	3,422
Unadjusted										
1975 *1*	851	742	408	101	8	576	417	159	13	262
2	775	650	298	116	9	341	205	136	—	434
3	689	559	260	119	11	573	442	131	—	116
4	1,244	1,116	264	116	12	428	274	154	—	816
1976 *1*	1,148	1,014	238	122	12	662	531	131	2	484
2	1,173	1,023	270	138	12	466	298	168	—	707
3	1,152	971	240	168	13	664	477	187	—	488
4	1,666	1,452	247	201	13	577	349	228	—	1,089
1977 *1*	1,624	1,431	256	180	13	720	551	169	10	894
2	1,334	1,149	245	172	13	509	331	178	—	825
3	1,271	1,094	249	163	14	815	658	157	—	456
4	1,667	1,490	264	163	14	420	240	180	—	1,247
Seasonally adjusted										
1975 *1*	826	717	408	101	8	475	316	159	4	347
2	840	715	298	116	9	463	327	136	4	373
3	800	670	260	119	11	471	340	131	3	326
4	1,093	965	264	116	12	509	355	154	2	582
1976 *1*	1,108	974	238	122	12	505	374	131	1	602
2	1,256	1,106	270	138	12	571	403	168	—	685
3	1,356	1,175	240	168	13	617	430	187	—	739
4	1,419	1,205	247	201	13	676	448	228	1	742
1977 *1*	1,544	1,351	256	180	13	639	470	169	2	903
2	1,421	1,236	245	172	13	632	454	178	3	786
3	1,503	1,326	249	163	14	594	437	157	2	907
4	1,428	1,251	264	163	14	599	419	180	3	826

[1] Before providing for depreciation and stock appreciation.
[2] Payments to Inland Revenue *less* amounts deducted from dividends and interest paid.
[3] Before providing for depreciation, stock appreciation and additions to reserves.

Current account of central government including National Insurance Fund

TABLE 9

	Receipts									
	£ million									
	Total	Taxes on income[1]	Taxes on expenditure: Selective employment tax	Taxes on expenditure: Other taxes	National insurance contributions	National health contributions	Redundancy Fund contributions[2]	Gross trading surplus[3]	Rent, dividends and interest	Imputed charge for consumption of non-trading capital
1973	22,578	9,295	132	7,343[4]	3,646	239	52	6	1,744	121
1974	28,213	12,548	—	8,377	4,713	235	52	33	2,091	164
1975	36,291	16,537	—	10,176	6,301	451	87	49	2,478	212
1976	42,482	18,687	—	12,060	7,700	604	115	67	2,984	265
1977	48,840	20,280	—	15,370	8,627	673	151	28	3,405	306
Unadjusted										
1975 *1*	9,238	4,872	—	2,097	1,454	59	13	16	679	48
2	8,347	3,580	—	2,475	1,550	126	23	6	536	51
3	9,259	4,006	—	2,698	1,626	131	25	11	708	54
4	9,447	4,079	—	2,906	1,671	135	26	16	555	59
1976 *1*	10,896	5,469	—	2,632	1,693	136	26	23	855	62
2	10,155	4,425	—	2,899	1,950	152	29	1	633	66
3	10,416	4,245	—	3,052	2,005	156	30	28	833	67
4	11,015	4,548	—	3,477	2,052	160	30	15	663	70
1977 *1*	12,776	6,437	—	3,049	2,061	160	30	20	947	72
2	11,774	4,822	—	3,785	2,151	168	40	7	726	75
3	12,285	4,671	—	4,041	2,179	171	40	12	1,093	78
4	12,005	4,350	—	4,495	2,236	174	41	−11	639	81
Seasonally adjusted										
1975 *1*	8,282	3,844	—	2,259	1,454	59	13	16	589	48
2	8,867	3,987	—	2,490	1,550	126	23	6	634	51
3	9,421	4,244	—	2,716	1,626	131	25	11	614	54
4	9,721	4,462	—	2,711	1,671	135	26	16	641	59
1976 *1*	9,887	4,403	—	2,843	1,693	136	26	23	701	62
2	10,617	4,764	—	2,918	1,950	152	29	1	737	66
3	10,553	4,427	—	3,063	2,005	156	30	28	777	67
4	11,425	5,093	—	3,236	2,052	160	30	15	769	70
1977 *1*	11,603	5,116	—	3,290	2,061	160	30	20	854	72
2	12,211	5,150	—	3,798	2,151	168	40	7	822	75
3	12,512	5,100	—	4,062	2,179	171	40	12	870	78
4	12,514	4,914	—	4,220	2,236	174	41	−11	859	81

[1] Tax receipts *less* tax credits.
[2] Includes, from April 1977, contributions to the Maternity Pay Fund.
[3] Before providing for depreciation and stock appreciation.
[4] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT: the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

Current account of central government including National Insurance Fund

TABLE 9 *(continued)*

	Expenditure												
	£ million												
			Final consumption										
	Total	Total current expenditure	Total	Military defence	National health service	Other	Subsidies	National insurance benefits	Other current grants to personal sector	Debt interest	Current grants to local authorities	Current grants paid abroad	Balance: current surplus[1]
1973	22,578	21,340	7,715	3,339	2,524	1,852	1,342	3,927	2,220	1,812	3,965	359	1,238
1974	28,213	27,510	9,972	4,053	3,575	2,344	2,740	4,922	2,632	2,186	4,738	320	703
1975	36,291	37,219	13,236	5,123	4,904	3,209	3,402	6,377	3,402	2,697	7,726	379	−928
1976	42,482	44,720	15,671	6,117	5,791	3,763	2,954	7,916	4,349	3,650	9,388	792	−2,238
1977	48,840	49,730	17,299	6,677	6,567	4,055	2,886	9,228	5,262	4,576	9,370	1,109	−890
Unadjusted													
1975 *1*	9,238	8,920	3,001	1,126	1,100	775	1,016	1,374	659	694	2,092	84	318
2	8,347	8,875	3,225	1,241	1,214	770	812	1,594	856	548	1,745	95	−528
3	9,259	9,727	3,419	1,329	1,282	808	777	1,640	900	813	2,106	72	−468
4	9,447	9,697	3,591	1,427	1,308	856	797	1,769	987	642	1,783	128	−250
1976 *1*	10,896	11,312	3,795	1,461	1,370	964	689	1,947	981	956	2,726	218	−416
2	10,155	10,753	3,852	1,497	1,445	910	818	1,928	1,063	729	2,207	156	−598
3	10,416	11,222	3,958	1,564	1,455	939	738	1,941	1,104	1,147	2,135	199	−806
4	11,015	11,433	4,066	1,595	1,521	950	709	2,100	1,201	818	2,320	219	−418
1977 *1*	12,776	12,233	4,179	1,622	1,537	1,020	764	2,252	1,145	1,218	2,379	296	543
2	11,774	12,260	4,301	1,670	1,632	999	717	2,227	1,330	1,021	2,399	265	−486
3	12,285	12,386	4,373	1,703	1,672	998	684	2,264	1,322	1,254	2,202	287	−101
4	12,005	12,851	4,446	1,682	1,726	1,038	721	2,485	1,465	1,083	2,390	261	−846
Seasonally adjusted													
1975 *1*	8,282	8,023	2,946	1,126	1,106	714	960	1,370	678	617	1,405	47	259
2	8,867	9,286	3,277	1,241	1,229	807	838	1,606	847	655	1,970	93	−419
3	9,421	9,921	3,423	1,329	1,269	825	810	1,653	911	700	2,339	85	−500
4	9,721	9,989	3,590	1,427	1,300	863	794	1,748	966	725	2,012	154	−268
1976 *1*	9,887	10,349	3,699	1,461	1,345	893	641	1,945	1,012	824	2,070	158	−462
2	10,617	11,192	3,889	1,497	1,437	955	847	1,940	1,051	877	2,425	163	−575
3	10,553	11,348	4,000	1,564	1,477	959	762	1,954	1,112	939	2,355	226	−795
4	11,425	11,831	4,083	1,595	1,532	956	704	2,077	1,174	1,010	2,538	245	−406
1977 *1*	11,603	11,783	4,107	1,622	1,521	964	710	2,254	1,184	1,152	2,136	240	−180
2	12,211	12,450	4,285	1,670	1,614	1,001	744	2,237	1,311	1,123	2,480	270	−239
3	12,512	12,516	4,440	1,703	1,691	1,046	711	2,278	1,330	1,160	2,283	314	− 4
4	12,514	12,981	4,467	1,682	1,741	1,044	721	2,459	1,437	1,141	2,471	285	−467

[1] Before providing for depreciation and stock appreciation.

Current account of local authorities

TABLE 10

	Receipts						
	£ million						
	Total	Current grants from central government	Rates		Gross trading surplus[2]	Rent dividends and interest	Imputed charge for consumption of non-trading capital
			Cash receipts	Accruals adjustment[1]			
1973	8,153	3,965	2,533	114	134	1,083	324
1974[3]	9,843	4,738	3,083	6	97	1,561	358
1975	14,204	7,726	4,127	−149	102	1,958	440
1976	16,978	9,388	4,646	−143	122	2,410	555
1977	17,822	9,370	5,377	−393	143	2,662	663
Unadjusted							
1975 *1*	3,517	2,092	750	87	24	461	103
2	3,382	1,745	998	41	25	466	107
3	3,787	2,106	956	91	26	496	112
4	3,518	1,783	1,423	−368	27	535	118
1976 *1*	4,521	2,726	829	236	27	575	128
2	4,096	2,207	1,210	− 73	30	586	136
3	4,060	2,135	1,125	21	32	605	142
4	4,301	2,320	1,482	−327	33	644	149
1977 *1*	4,395	2,379	786	379	36	660	155
2	4,504	2,399	1,505	−243	36	645	162
3	4,352	2,202	1,357	− 84	36	671	170
4	4,571	2,390	1,729	−445	35	686	176
Seasonally adjusted							
1975 *1*	2,820	1,405	837		24	451	103
2	3,617	1,970	1,039		25	476	107
3	4,025	2,339	1,047		26	501	112
4	3,742	2,012	1,055		27	530	118
1976 *1*	3,852	2,070	1,065		27	562	128
2	4,321	2,425	1,137		30	593	136
3	4,290	2,355	1,146		32	615	142
4	4,515	2,538	1,155		33	640	149
1977 *1*	4,146	2,136	1,165		36	654	155
2	4,603	2,480	1,262		36	663	162
3	4,431	2,283	1,273		36	669	170
4	4,642	2,471	1,284		35	676	176

[1] Adjustments to accruals of rates for the quarter, as included in taxes on expenditure and in the adjustment to factor cost in Table 1.
[2] Before providing for depreciation and stock appreciation.
[3] Figures from the second quarter of 1974 exclude water, land drainage and sewage disposal (England and Wales), health and trust ports.

Current account of local authorities

TABLE 10 *(continued)*

	Expenditure								
	£ million								
	Total	Total current expenditure	Final consumption		Subsidies	Current grants to personal sector	Debt interest	Taxes on income (payments) [1]	Balance: current surplus [2]
			Education	Other					
1973	8,153	7,380	2,670	2,884	109	273	1,444	—	773
1974	9,843	9,253	3,190	3,429	273	315	2,046	—	590
1975	14,204	12,864	4,906	4,766	445	415	2,332	—	1,340
1976	16,978	14,679	5,369	5,474	459	559	2,818	—	2,299
1977	17,822	16,051	5,829	5,973	372	747	3,130	—	1,771
Unadjusted									
1975 *1*	3,517	3,362	1,332	1,117	102	113	645	53	155
2	3,382	2,859	1,066	1,129	105	115	434	10	523
3	3,787	3,285	1,218	1,221	118	115	656	−43	502
4	3,518	3,358	1,290	1,299	120	72	597	−20	160
1976 *1*	4,521	3 754	1 285	1,287	116	160	850	56	767
2	4,096	3,530	1,371	1,347	117	164	503	28	566
3	4,060	3,711	1,314	1,423	113	143	770	−52	349
4	4,301	3,684	1,399	1,417	113	92	695	−32	617
1977 *1*	4,395	4,177	1,414	1,426	108	197	970	62	218
2	4,504	3,897	1,477	1,525	101	197	565	32	607
3	4,352	4,100	1,441	1,523	92	220	882	−58	252
4	4,571	3,877	1,497	1,499	71	133	713	−36	694
Seasonally adjusted									
1975 *1*	2,820	3,156	1,316	1,125	102	92	521	—	−336
2	3,617	2.957	1,065	1,122	105	100	565	—	660
3	4,025	3,305	1,250	1,220	118	108	609	—	720
4	3,742	3,446	1,275	1,299	120	115	637	—	296
1976 *1*	3,852	3,494	1,271	1,298	116	122	687	—	358
2	4,321	3,633	1,367	1,338	117	134	677	—	688
3	4,290	3,738	1,349	1,419	113	147	710	—	552
4	4,515	3,814	1,382	1,419	113	156	744	—	701
1977 *1*	4,146	3,896	1,398	1,440	108	167	783	—	250
2	4,603	4,017	1,470	1,513	101	180	753	—	586
3	4,431	4,080	1,481	1,519	92	193	795	—	351
4	4,642	4,058	1,480	1,501	71	207	799	—	584

[1] Payments to Inland Revenue *less* amounts deducted from interest paid.
[2] Before providing for depreciation and stock appreciation.

International transactions

TABLE 11

Exports and imports of goods and services revalued at 1970 prices

£ million

	Exports				Imports			
	Unadjusted		Seasonally adjusted		Unadjusted		Seasonally adjusted	
	Goods	Services	Goods	Services	Goods	Services	Goods	Services
1973	9,925	4,043	9,925	4,043	10,896	3,497	10,896	3,497
1974	10,717	4,100	10,717	4,100	11,110	3,571	11,110	3,571
1975	10,244	4,117	10,244	4,117	10,301	3,388	10,301	3,388
1976	11,096	4,322	11,096	4,322	10,938	3,269	10,938	3,269
1977	12,053	4,289	12,053	4,289	11,591	3,157	11,591	3,157
1975 *1*	2,541	985	2,632	1,033	2,572	801	2,595	833
2	2,616	1,010	2,484	1,017	2,595	834	2,476	838
3	2,393	1,113	2,481	1,019	2,540	943	2,630	860
4	2,694	1,009	2,647	1,048	2,594	810	2,600	857
1976 *1*	2,717	979	2,690	1,020	2,620	752	2,582	788
2	2,833	1,035	2,766	1,036	2,777	808	2,722	806
3	2,641	1,219	2,769	1,123	2,705	901	2,823	825
4	2,905	1,089	2,871	1,143	2,836	808	2,811	850
1977 *1*	2,930	992	2,899	1,078	2,947	740	2,926	812
2	3,067	1,070	2,997	1,078	2,983	778	2,924	785
3	3,038	1,206	3,164	1,088	2,805	891	2,902	784
4	3,018	1,021	2,993	1,045	2,856	748	2,839	776

International transactions

TABLE 11 (*continued*)

	United Kingdom credits					
	£ million					
		Exports and property income from abroad				
	Total credits	Exports of goods[1]	Exports of services	Property income from abroad	UK taxes paid by non-residents	Current transfers to personal sector
1973	23,272	12,115	5,055	5,466	341	295
1974	31,059	16,539	6,389	7,377	399	355
1975	34,352	19,462	7,437	6,605	453	395
1976	44,236	25,422	9,536	8,162	691	425
1977	52,492	32,176	10,959	7,957	919	481
Unadjusted						
1975 *1*	8,070	4,502	1,660	1,686	127	95
2	8,548	4,845	1,788	1,681	134	100
3	8,563	4,673	2,056	1,653	81	100
4	9,171	5,442	1,933	1,585	111	100
1976 *1*	9,892	5,718	2,007	1,879	183	105
2	10,830	6,322	2,260	1,989	154	105
3	11,309	6,198	2,735	2,115	156	105
4	12,205	7,184	2,534	2,179	198	110
1977 *1*	12,325	7,594	2,403	2,015	203	110
2	13,287	8,117	2,711	2,098	245	116
3	13,682	8,202	3,162	1,954	239	125
4	13,198	8,263	2,683	1,890	232	130
Seasonally adjusted						
1975 *1*	8,305	4,674	1,739	1,668	129	95
2	8,275	4,601	1,812	1,633	129	100
3	8,666	4,844	1,873	1,754	95	100
4	9,106	5,343	2,013	1,550	100	100
1976 *1*	9,931	5,655	2,107	1,879	185	105
2	10,640	6,171	2,271	1,947	146	105
3	11,487	6,499	2,508	2,196	179	105
4	12,178	7,097	2,650	2,140	181	110
1977 *1*	12,470	7,502	2,611	2,040	207	110
2	13,072	7,930	2,734	2,056	236	116
3	13,785	8,540	2,836	2,026	258	125
4	13,165	8,204	2,778	1,835	218	130

[1] On a balance of payments basis.

International transactions

TABLE 11 (*continued*)

United Kingdom debits

£ million

	Total[1]	Total debits[1]	Imports and property income paid abroad				Current transfers		Balance: net investment and capital transfers abroad[3]
			Imports of goods[2]	Imports of services	Property income paid abroad	Foreign taxes paid by UK residents	From personal sector	From central government[1]	
1973	23,272	24,155	14,469	4,457	1,910	2,574	386	359	−883
1974	31,059	34,574	21,734	5,609	2,260	4,210	441	320	−3,515
1975	34,352	35,966	22,667	6,271	2,499	3,659	491	379	−1,614
1976	44,236	45,343	28,932	7,580	3,259	4,286	494	792	−1,107
1977	52,492	52,527	33,788	8,449	4,509	4,084	588	1,109	−35
Unadjusted									
1975 *1*	8,070	8,690	5,504	1,356	658	982	106	84	−620
2	8,548	8,907	5,553	1,512	681	934	132	95	−359
3	8,563	9,140	5,655	1,805	527	959	122	72	−577
4	9,171	9,229	5,955	1,598	633	784	131	128	−58
1976 *1*	9,892	9,988	6,271	1,558	789	1,010	142	218	−96
2	10,830	11,165	7,238	1,831	788	1,035	117	156	−335
3	11,309	11,644	7,290	2,149	768	1,124	114	199	−335
4	12,205	12,546	8,133	2,042	914	1,117	121	219	−341
1977 *1*	12,325	12,855	8,489	1,874	990	1,068	138	296	−530
2	13,287	13,623	8,847	2,058	1,226	1,098	129	265	−336
3	13,682	13,227	8,233	2,456	1,106	998	147	287	455
4	13,198	12,822	8,219	2,061	1,187	920	174	261	376
Seasonally adjusted									
1975 *1*	8,305	8,832	5,586	1,480	671	942	106	47	−527
2	8,275	8,617	5,271	1,542	663	916	132	93	−342
3	8,666	9,256	5,836	1,607	568	1,038	122	85	−590
4	9,106	9,261	5,974	1,642	597	763	131	154	−155
1976 *1*	9,931	9,978	6,198	1,706	791	983	142	158	−47
2	10,640	10,985	7,080	1,848	750	1,027	117	163	−345
3	11,487	11,864	7,596	1,918	832	1,178	114	226	−377
4	12,178	12,516	8,058	2,108	886	1,098	121	245	−338
1977 *1*	12,470	12,975	8,449	2,073	1,013	1,062	138	240	−505
2	13,072	13,436	8,694	2,081	1,172	1,090	129	270	−364
3	13,785	13,302	8,486	2,128	1,180	1,047	147	314	483
4	13,165	12,814	8,159	2,167	1,144	885	174	285	351

[1] Net of receipts from the EEC.
[2] On a balance of payments basis.
[3] Equal to the current balance in the balance of payments accounts.

Summary capital account

Receipts

TABLE 12

£ million

		Saving[1]					Capital transfers (net)				
	Total	Total	Personal sector	Companies	Public corporations	General government[2]	Personal sector	Companies	Public corporations[3]	General government[2]	Residual error
1973	17,863	17,553	6,079	8,196	1,267	2,011	−325	271	152	−157	310
1974	20,842	19,649	8,642	8,324	1,390	1,293	−324	267	215	−233	1,193
1975	22,792	22,432	11,549	8,843	1,628	412	−302	387	286	−371	360
1976	29,387	28,419	12,864	12,726	2,768	61	− 64	230	366	−532	968
1977	30,876	30,948	14,109	1,2536	3,422	881	83	104	498	−685	− 72
Unadjusted											
1975 *1*	5,273	5,363	3,227	1,401	262	473	−100	114	94	−108	− 90
2	5,246	5,544	2,855	2,260	434	− 5	− 95	64	47	− 16	−298
3	5,618	5,462	3,114	2,198	116	34	− 61	108	66	−113	156
4	6,655	6,063	2,353	2,984	816	− 90	− 46	101	79	−134	592
1976 *1*	6,768	6,477	3,697	1,945	484	351	− 55	35	122	−102	291
2	6,801	7,256	3,331	3,250	707	− 32	− 42	74	70	−102	−455
3	7,541	7,074	3,835	3,208	488	−457	− 12	70	72	−130	467
4	8,277	7,612	2,001	4,323	1,089	199	45	51	102	−198	665
1977 *1*	7,705	8,117	3,911	2,551	894	761	36	15	187	−238	−412
2	7,318	7,940	3,605	3,389	825	121	2	62	100	−164	−622
3	7,810	7,304	3,583	3,114	456	151	28	20	105	−153	506
4	8,043	7,587	3,010	3,482	1,247	−152	17	7	106	−130	456
Seasonally adjusted											
1975 *1*	5,473	5,141	2,788	2,083	347	−77	− 88	153	71	−136	332
2	5,449	5,295	2,630	2,051	373	241	− 90	54	62	− 26	154
3	5,605	5,681	2,984	2,151	326	220	− 64	86	76	− 98	− 76
4	6,265	6,315	3,147	2,558	582	28	− 60	94	77	−111	− 50
1976 *1*	6,863	6,306	3,284	2,524	602	−104	− 48	76	95	−123	557
2	7,100	6,941	3,074	3,069	685	113	− 28	73	93	−138	159
3	7,526	7,339	3,406	3,437	739	−243	− 15	55	82	−122	187
4	7,898	7,833	3,100	3,696	742	295	27	26	96	−149	65
1977 *1*	8,105	7,870	3,528	3,369	903	70	33	55	142	−230	235
2	7,648	7,650	3,271	3,246	786	347	21	48	139	−208	− 2
3	7,706	7,506	3,126	3,126	907	347	24	− 9	121	−136	200
4	7,147	7,922	4,184	2,795	826	117	5	10	96	−111	−505

[1] Before providing for depreciation, stock appreciation, and additions to reserves.
[2] Formerly called public authorities.
[3] Excluding financial transactions on the writing-off of debt.

Summary capital account

Payments

TABLE 12 (*continued*)

£ million

	Gross capital formation[1]						Balance: net investment abroad[2]	Net acquisition of financial assets[3]			
	Total	Total	Personal sector	Companies	Public corporations	General government[4]		Personal sector	Companies	Public corporations	General government[4]
1973	17,863	18,746	2,921	9,933	2,198	3,694	942	2,833	−1,466	− 779	−1,840
1974	20,842	24,357	3,195	13,599	3,158	4,405	3,590	5,123	−5,008	−1,553	−3,345
1975	22,792	24,406	3,666	10,862	4,864	5,014	1,614	7,581	−1,632	−2,950	−4,973
1976	29,387	30,494	4,574	14,892	5,543	5,485	1,107	8,226	−1,936	−2,409	−5,956
1977	30,876	30,911	5,333	15,774	4,969	4,835	35	8,859	−3,134	−1,049	−4,639
Unadjusted											
1975 *1*	5,273	5,893	800	2,465	1,263	1,365	620	2,327	− 950	− 907	−1,000
2	5,246	5,605	946	2,479	1,074	1,106	359	1,814	− 155	− 593	−1,127
3	5,618	6,195	916	2,877	1,214	1,188	577	2,137	− 571	−1,032	−1,267
4	6,655	6,713	1,004	3,041	1,313	1,355	58	1,303	44	− 418	−1,579
1976 *1*	6,768	6,864	988	2,784	1,386	1,706	96	2,654	− 804	− 780	−1,457
2	6,801	7,136	1,129	3,431	1,374	1,202	335	2,160	− 107	− 597	−1,336
3	7,541	7,876	1,160	4,039	1,385	1,292	335	2,663	− 761	− 825	−1,879
4	8,277	8,618	1,297	4,638	1,398	1,285	341	749	− 264	− 207	−1,284
1977 *1*	7,705	8,235	1,193	4,072	1,367	1,603	530	2,754	−1,506	− 286	−1,080
2	7,318	7,654	1,394	4,155	1,129	976	336	2,213	− 704	− 204	−1,019
3	7,810	7,355	1,260	3,745	1,234	1,117	−455	2,351	− 610	− 673	−1,119
4	8,043	7,667	1,486	3,802	1,239	1,139	−376	1,541	− 314	114	−1,421
Seasonally adjusted											
1975 *1*	5,473	6,000	860	2,713	1,276	1,151	527	1,840	− 477	− 858	−1,364
2	5,449	5,791	874	2,604	1,052	1,261	342	1,666	− 499	− 617	−1,046
3	5,605	6,195	934	2,826	1,221	1,214	590	1,986	− 589	− 819	−1,092
4	6,265	6,420	998	2,719	1,315	1,388	155	2,089	− 67	− 656	−1,471
1976 *1*	6,863	6,910	1,056	3,000	1,424	1,430	47	2,180	− 400	− 727	−1,657
2	7,100	7,445	1,050	3,677	1,327	1,391	345	1,996	− 535	− 549	−1,416
3	7,526	7,903	1,181	3,986	1,398	1,338	377	2,210	− 494	− 577	−1,703
4	7,898	8,236	1,287	4,229	1,394	1,326	338	1,840	− 507	− 556	−1,180
1977 *1*	8,105	8,610	1,274	4,516	1,472	1,348	505	2,287	−1,092	− 427	−1,508
2	7,648	8,012	1,301	4,544	1,020	1,147	364	1,991	−1,250	− 95	−1,008
3	7,706	7,223	1,284	3,530	1,244	1,165	−483	1,866	− 413	− 216	− 954
4	7,417	7,066	1,474	3,184	1,233	1,175	−351	2,715	− 379	− 311	−1,169

[1] Gross fixed capital formation *plus* the increase in book value of stocks and work in progress.
[2] Equals, apart from the change in sign, the net acquisition of financial assets by the overseas sector.
[3] This balance is equal to saving *plus* capital transfers *less* gross capital formation.
[4] Formerly called public authorities.

Consumers' expenditure

TABLE 13

£ million

	Total	Food (household expenditure)	Alcoholic drink: Beer	Alcoholic drink: Wines spirits, etc.	Tobacco	Housing	Fuel and light	Clothing: Footwear	Clothing: Other	Durable goods: Total	Durable goods: Cars and motor cycles	Durable goods: Furniture and floor coverings	Durable goods: Radio and electrical goods, etc.	Other goods	Other services
At current prices															
1973	45,204	8,487	1,807	1,616	1,945	6,103	1,897	634	3,257	4,167	1,805	1,100	1,262	7,007	8,284
1974	51,962	9,815	2,071	1,844	2,239	7,427	2,268	735	3,818	3,990	1,460	1,179	1,351	8,528	9,227
1975	63,303	12,057	2,679	2,176	2,748	9,334	2,916	860	4,436	4,848	1,851	1,420	1,577	10,282	10,967
1976	73,424	14,085	3,282	2,554	3,106	11,016	3,600	990	4,948	5,795	2,387	1,622	1,786	11,661	12,387
1977	83,239	16,268	3,788	2,751	3,632	12,688	4,261	1,169	5,669	6,585	2,823	1,769	1,993	12,944	13,484
Unadjusted															
1975 *1*	13,988	2,760	523	347	573	2,103	842	178	934	1,171	463	331	377	2,245	2,312
2	15,493	2,943	631	493	687	2,371	612	213	1,057	1,231	518	325	388	2,505	2,750
3	16,238	3,065	769	507	738	2,409	528	215	1,054	1,254	559	345	350	2,631	3,068
4	17,584	3,289	756	829	750	2,451	934	254	1,391	1,192	311	419	462	2,901	2,837
1976 *1*	16,657	3,313	611	414	668	2,574	1,122	190	1,008	1,424	628	382	414	2,565	2,768
2	17,690	3,387	828	545	796	2,796	699	242	1,154	1,312	599	353	360	2,804	3,127
3	18,601	3,531	961	568	820	2,813	615	250	1,185	1,456	623	393	440	2,983	3,419
4	20,476	3,854	882	1,027	822	2,833	1,164	308	1,601	1,603	537	494	572	3,309	3,073
1977 *1*	19,020	3,879	752	464	777	2,962	1,298	232	1,155	1,611	755	416	440	2,886	3,004
2	20,092	4,018	966	554	939	3,241	919	271	1,275	1,452	678	380	394	3,074	3,383
3	21,191	3,972	1,048	664	966	3,243	766	298	1,392	1,776	825	437	514	3,346	3,720
4	22,936	4,399	1,022	1,069	950	3,242	1,278	368	1,847	1,746	565	536	645	3,638	3,377
Revalued at 1970 prices															
1973	36,132	6,460	1,549	1,446	1,859	4,394	1,574	497	2,617	3,589	1,515	852	1,222	5,865	6,282
1974	35,682	6,419	1,551	1,525	1,835	4,504	1,616	503	2,584	3,026	1,059	754	1,213	5,935	6,184
1975	35,269	6,424	1,609	1,451	1,748	4,577	1,596	517	2,626	2,967	1,057	766	1,144	5,756	5,998
1976	35,406	6,478	1,645	1,511	1,688	4,686	1,592	535	2,649	3,156	1,168	781	1,207	5,782	5,684
1977	35,133	6,399	1,640	1,473	1,606	4,786	1,636	550	2,710	3,105	1,148	721	1,236	5,581	5,647
Unadjusted															
1975 *1*	8,536	1,582	353	267	430	1,141	531	113	576	781	282	192	307	1,333	1,429
2	8,752	1,589	385	338	446	1,168	338	129	638	765	300	178	287	1,411	1,545
3	8,729	1,598	447	321	434	1,142	265	127	616	733	308	183	242	1,440	1,606
4	9,252	1,655	424	525	438	1,126	462	148	796	688	167	213	308	1,572	1,418
1976 *1*	8,360	1,596	327	257	386	1,156	536	107	563	796	326	193	277	1,324	1,312
2	8,633	1,603	418	322	444	1,196	312	134	629	724	300	172	252	1,403	1,448
3	8,859	1,630	476	331	434	1.177	258	134	633	792	298	189	305	1,460	1,534
4	9,554	1,649	424	601	424	1,157	486	160	824	844	244	227	373	1,595	1,390
1977 *1*	8,331	1,571	336	251	372	1,184	531	116	576	785	325	178	282	1,312	1,297
2	8,482	1,595	423	302	414	1,222	352	128	627	684	280	157	247	1,313	1,422
3	8,786	1,548	447	352	412	1,199	278	140	656	819	325	176	318	1,415	1,520
4	9,534	1,685	434	568	408	1,181	475	166	851	817	218	210	389	1,541	1,408
Seasonally adjusted															
1975 *1*	8,995	1,603	403	383	458	1,141	414	135	666	790	273	196	321	1,456	1,546
2	8,901	1,598	381	376	429	1,140	408	129	667	802	274	195	333	1,449	1,522
3	8,731	1,605	409	362	426	1,143	384	128	648	727	293	189	245	1,423	1,476
4	8,642	1,618	416	330	435	1,153	390	125	645	648	217	186	245	1,428	1,454
1976 *1*	8,806	1,618	376	377	411	1,156	421	127	651	802	315	196	291	1,445	1,422
2	8,793	1,615	415	364	429	1,168	383	136	659	761	269	190	302	1,441	1,422
3	8,879	1,634	437	376	427	1,178	379	136	669	777	274	196	307	1 444	1,422
4	8,928	1,611	417	394	421	1,184	409	136	670	816	310	199	307	1,452	1,418
1977 *1*	8,758	1,594	384	373	396	1,183	411	138	668	791	313	180	298	1,429	1,391
2	8,644	1,608	423	336	401	1,193	426	129	657	725	254	174	297	1,351	1,395
3	8,831	1,553	405	396	405	1,200	403	142	693	805	301	183	321	1,398	1,431
4	8,900	1,644	428	368	404	1,210	396	141	692	784	280	184	320	1,403	1,430

Gross domestic fixed capital formation by sector and by type of asset

TABLE 14

£ million

	Total	Private sector[1]	General government[1,2]	Public[1] corporations	Vehicles, ships and aircraft	Plant and machinery	Dwellings: Private	Dwellings: Public	Other new building and works[3]
At current prices									
1973	14,075	8,354	3,660	2,061	1,639	4,817	1,628	1,020	4,971
1974	16,918	9,730	4,373	2,815	1,772	5,797	1,702	1,476	6,171
1975	20,708	11,782	4,977	3,949	1,967	6,795	2,196	1,964	7,786
1976	23,528	13,359	5,445	4,724	2,367	8,112	2,387	2,317	8,345
1977	25,061	15,661	4,743	4,657	2,947	9,309	2,398	2,193	8,214
1975 *1*	4,957	2,590	1,367	1,000	495	1,657	503	486	1,816
2	4,763	2,837	1,102	824	452	1,559	558	457	1,737
3	5,364	3,180	1,168	1,016	461	1,771	545	449	2,138
4	5,624	3,175	1,340	1,109	559	1,808	590	572	2,095
1976 *1*	5,833	2,807	1,687	1,339	553	2,002	590	646	2,042
2	5,430	3,201	1,176	1,053	572	1,815	566	519	1,958
3	5,942	3,574	1,277	1,091	589	1,993	613	553	2,194
4	6,323	3,777	1,305	1,241	653	2,302	618	599	2,151
1977 *1*	6,088	3,197	1,580	1,311	710	2,275	487	635	1,981
2	5,906	3,916	959	1,031	735	2,124	586	490	1,971
3	6,313	4,108	1,083	1,122	718	2,333	630	526	2,106
4	6,754	4,440	1,121	1,193	784	2,577	695	542	2,156
Revalued at 1970 prices									
1973	10,233	6,106	2,571	1,556	1,283	3,840	1,045	727	3,338
1974	10,001	5,868	2,419	1,714	1,198	3,978	855	784	3,186
1975	9,640	5,603	2,172	1,865	1,051	3,699	915	798	3,177
1976	9,444	5,515	2,053	1,876	1,039	3,667	883	829	3,026
1977	9,072	5,756	1,646	1,670	1,064	3,670	810	708	2,820
Unadjusted									
1975 *1*	2,527	1,343	654	530	291	994	221	214	807
2	2,269	1,380	489	400	249	868	240	189	723
3	2,414	1,461	490	463	236	931	222	177	848
4	2,430	1,419	539	472	275	906	232	218	799
1976 *1*	2,445	1,224	664	557	255	963	226	239	762
2	2,208	1,336	446	426	255	833	212	190	718
3	2,351	1,453	474	424	258	884	224	197	788
4	2,440	1,502	469	469	271	987	221	203	758
1977 *1*	2,297	1,241	567	489	284	935	172	211	695
2	2,167	1,459	333	375	275	847	202	160	683
3	2,249	1,485	369	395	251	903	210	166	719
4	2,359	1,571	377	411	254	985	226	171	723
Seasonally adjusted									
1975 *1*	2,433	1,397	554	482	300	944	224	196	769
2	2,392	1,393	560	439	248	932	239	206	767
3	2,459[4]	1,481[4]	503	475	248	952	227	179	853[4]
4	2,356	1,332	555	469	255	871	225	217	788
1976 *1*	2,378	1,313	557	508	256	913	230	218	761
2	2,346[4]	1,360[4]	519	467	256	904	211	207	768[4]
3	2,377[4]	1,448[4]	492	437	269	910	228	202	768[4]
4	2,343	1,394	485	464	258	940	214	202	729
1977 *1*	2,260	1,336	477	447	291	908	175	192	694
2	2,293[4]	1,490[4]	393	410	276	906	202	175	734[4]
3	2,265	1,472	386	407	260	925	214	172	694
4	2,254	1,458	390	406	237	931	219	169	698

[1] Including purchases *less* sales of land and existing buildings.
[2] Formerly called public authorities.
[3] Including transfer costs of land and buildings.
[4] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter 1976 and £75 million in 2nd quarter 1977.

Gross domestic fixed capital formation by industry group

TABLE 15

£ million

	Total	Petroleum and natural gas	Other mining and quarrying	Manufacturing[1]	Gas, electricity and water	Transport and communication	Distributive trades[1]	Other industries[2]	Dwellings	Public services	Transfer costs of land and buildings
At current prices											
1973	14,075	183	105	2,286	771	1,871	811	2,490	2,648	2,345	565
1974	16,918	600	145	3,150	951	1,957	935	2,985	3,178	2,522	495
1975	20,708	1,621	206	3,461	1,233	2,312	971	3,132	4,160	2,987	625
1976	23,528	2,183	295	3,957	1,345	2,337	1,091	3,535	4,704	3,381	700
1977	25,061	2,009	339	4,873	1,279	2,591	1,362	4,265	4,591	2,962	790
1975 *1*	4,957	302	58	846	308	590	211	758	989	764	131
2	4,763	321	39	818	262	511	230	767	1,015	642	158
3	5,364	615	52	855	315	566	246	780	994	770	171
4	5,624	383	57	942	348	645	284	827	1,162	811	165
1976 *1*	5,833	334	78	915	413	607	249	801	1,236	1,048	152
2	5,430	582	67	889	273	517	276	827	1,085	744	170
3	5,942	683	78	998	322	551	266	884	1,166	802	192
4	6,323	584	72	1,155	337	662	300	1,023	1,217	787	186
1977 *1*	6,088	272	96	1,105	381	683	309	983	1,122	976	161
2	5,906	671	66	1,112	267	620	322	995	1,076	593	184
3	6,313	565	86	1,245	323	599	356	1,070	1,156	697	216
4	6,754	501	91	1,411	308	689	375	1,217	1,237	696	229
Revalued at 1970 prices											
1973	10,233	124	79	1,731	585	1,421	651	1,871	1,772	1,706	293
1974	10,001	299	95	1,964	587	1,261	628	1,809	1,639	1,486	233
1975	9,640	655	107	1,694	585	1,201	513	1,538	1,713	1,352	282
1976	9,444	818	128	1,633	538	1,003	517	1,503	1,712	1,306	286
1977	9,072	687	126	1,762	458	974	562	1,612	1,518	1,075	298
Unadjusted											
1975 *1*	2,527	131	33	454	163	343	122	397	435	387	62
2	2,269	132	22	410	128	271	124	382	429	299	72
3	2,414	243	26	403	145	285	126	378	399	333	76
4	2,430	149	26	427	149	302	141	381	450	333	72
1976 *1*	2,445	134	36	402	173	270	125	351	465	424	65
2	2,208	222	29	373	110	226	132	356	402	287	71
3	2,351	250	33	405	126	240	124	373	421	303	76
4	2,440	212	30	453	129	267	136	423	424	292	74
1977 *1*	2,297	97	38	419	141	275	139	381	383	361	63
2	2,167	234	25	408	97	238	132	383	362	216	72
3	2,249	191	31	446	115	220	145	395	376	250	80
4	2,359	165	32	489	105	241	146	453	397	248	83
Seasonally adjusted											
1975 *1*	2,433	130	28	456	141	342	124	395	420	330	67
2	2,392	132	25	432	147	282	130	390	445	336	73
3	2,459[3]	244[3]	27	409	150	297	130	385	406	338	73
4	2,356	149	27	397	147	280	129	368	442	348	69
1976 *1*	2,378	176	30	397	153	266	127	352	448	359	70
2	2,346[3]	231[3]	33	400	126	239	136	364	418	327	72
3	2,377[3]	221[3]	35	414	131	249	129	384	430	311	73
4	2,343	190	30	422	128	249	125	403	416	309	71
1977 *1*	2,260	134	31	418	126	278	138	390	367	310	68
2	2,293[3]	247[3]	29	433	110	249	139	391	377	245	73
3	2,265	157	33	456	118	225	150	406	386	257	77
4	2,254	149	33	455	104	222	135	425	388	263	80

[1] Further details are given in the *Monthly Digest of Statistics.*

[2] Covers agriculture, forestry, fishing, construction and other service industries.

[3] Including extra capital formation in imported oil platforms and related equipment delivered during the quarter but not adjusted for seasonality. The extra deliveries are approximately £100 million in 3rd quarter 1975, £60 million in 2nd quarter 1976, £50 million in 3rd quarter and £75 million in 2nd quarter 1977.

Value of physical increase in stocks and work in progress

TABLE 16

£ million

	At current prices					Revalued at 1970 prices									
						Unadjusted					Seasonally adjusted				
			Distributive trades					Distributive trades					Distributive trades		
	Total	Manufacturing[1]	Retail	Wholesale	Other industries	Total	Manufacturing	Retail	Wholesale	Other industries	Total	Manufacturing[1]	Retail	Wholesale	Other industries
Book value of stocks and work in progress at end–															
December 1976	42,882	26,343	3,799	4,502	8,238	1,840	10,529	1,929	1,830	4,113	1,840	10,529	1,929	1,830	4,113
1973	1,460[2]	698	246	126	390	1,365	597	379	102	287	1,365	597	379	102	287
1974	1,053	1,050	−147	189	− 39	561	634	−109	81	− 45	561	634	−109	81	− 45
1975	−1,644	−900	− 92	−278	−374	−842	−429	− 65	−111	−237	−842	−429	− 65	−111	−237
1976	303	111	26	54	112	97	5	9	23	60	97	5	9	23	60
1977	1,250	545	31	295	379	423	218	17	103	85	423	218	17	103	85
1975 *1*	−767	−184	−137	−160	−286	−324	− 23	− 88	− 66	−147	−197	− 31	− 44	− 22	−100
2	−424	−199	−108	−124	7	−239	−110	− 66	− 58	− 5	−241	− 74	− 61	− 51	− 55
3	−313	−497	52	34	98	−177	−251	31	11	32	−224	−209	16	− 26	− 5
4	−140	− 20	101	− 28	−193	−102	− 45	58	2	−117	−180	−115	24	− 12	− 77
1976 *1*	−429	− 73	− 28	− 56	−272	−136	2	− 16	− 17	−105	− 1	—	33	26	− 60
2	29	−205	− 91	− 59	384	− 22	−104	− 50	− 29	161	− 12	− 66	− 45	− 20	119
3	220	3	66	118	33	59	− 39	35	48	15	5	− 2	16	14	− 23
4	483	386	79	51	− 33	196	146	40	21	− 11	105	73	5	3	24
1977 *1*	199	270	99	4	−174	111	121	48	6	− 64	233	125	102	51	− 45
2	537	254	− 19	111	191	197	127	− 9	30	49	228	164	− 5	39	30
3	254	− 66	− 51	127	244	23	− 64	− 23	41	69	− 31	− 31	− 44	5	39
4	260	87	2	53	118	92	34	1	26	31	− 7	− 40	− 36	8	61

[1] Further details are given in the *Monthly Digest of Statistics*

[2] The second quarter of 1973 includes a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT. The rebate has been allocated at current prices as follows:

	£ million		£ million
Manufacturers	34	Retailers	181
Wholesalers	36	Other Industries	29

This allocation is to some extent arbitrary, and therefore should be regarded as approximate.

The nation's food — 40 years of change

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Introduction

Changes in the nation's food supplies take place gradually, and statistics over several decades are needed to establish significant long-term trends. This article considers the principal series of food supply statistics for the United Kingdom and discusses some of the major changes which have taken place over the last forty years. There are many ways of measuring food supplies, but the authors have concentrated on the results of the Ministry of Agriculture, Fisheries and Food's Consumption Levels Enquiry (CLE)[1], supplemented by data on the contribution from home agriculture, and on the pattern of consumers' expenditure. A description of the CLE methodology appears in Appendix 1.

Background

Statistics on production, imports and exports of food have been available for many years, but it was not until 1943 that the first official series of food consumption levels (CLE) were produced. They were prepared as the result of an historic joint statement by the Prime Minister of the United Kingdom and the President of the United States of America that 'in principle, the entire resources of Great Britain and the United States would be deemed to be a common pool'. It was essential, in order to ensure adequate dietary levels, that measurements of food consumption per head should be available, and at the request of the wartime Combined Food Board, CLE tables were devised. The results were used as a guide for food rationing, as a means of planning the maximum output which could be achieved by UK farmers, and in deciding the quantities and types of foods which had to be imported in order to achieve adequate food supplies. The application of nutrient and energy coefficients enabled the authorities to judge any weaknesses in the national wartime diet and to remedy them by such measures as encouraging the consumption of milk, fortifying foods by the addition of nutrients, and increasing the extraction rate of flour from wheat.

It was not until the mid-1950s that food rationing finally came to an end, and by this time the CLE estimates had been recognised as a useful source of economic analysis in forecasting the future demand for food. Indeed, it is the economic use of the results, both at aggregated level and at product level, which tends to dominate the present enquiry, although the greatly expanded use of the data expressed in terms of energy and of nutrients is also of major importance.

The preparation of similar data is now undertaken by most developed and developing countries, and in many of them it provides the only measure for economic forecasting and nutrient evaluation. In contrast, in the United Kingdom, detailed additional information on households' expenditure and quantities of food purchased is collected continuously by the National Food Survey[2], and the Family Expenditure Survey[3,4] records expenditure (but not quantities) for some 32 food groups as part of a comprehensive study of all items of households' expenditure.

Summary of results

Energy value of supplies

Before the 1939–45 war, the energy value of food supplies (excluding alcoholic drink) in the United Kingdom was estimated by the CLE at around 3,050 kilocalories (kcal) per head per day. This level fell sharply during the war years, when many essential foods were in short supply and rationing was introduced to ensure equitable distribution. By 1947 it had reached 2,940 kcal, at which point there was evidence that the population was beginning to lose weight. The overall position then improved fairly steadily, and by 1954, when food rationing was finally abolished, the energy value of supplies available for consumption had reached around 3,190 kcal. This peak probably overstated true availability, as there was evidence of restocking at all points in the distribution chain. However, the information about stock levels was insufficient for this to be adequately reflected in the CLE results.

The last two decades have shown the expected gradual decline in total food supplies per head, which is consistent with reductions in physical activity and the greater proportion of less active persons in the population. This trend is common to most developed countries where food shortages do not constrain demand.

There was a slight increase of 30 kcal in 1976. In 1977 the total fell to 2,930 kcal per head with lower consumption of dairy products, oils and fats, sugar and grain products. There was also in that year a check in the rising consumption of alcoholic drink (which currently adds some 5 per cent to the average energy content of our diet). Nevertheless, the total calorie level remains substantially in excess of energy requirements in the United Kingdom, as derived from the intakes recommended by the Department of Health and Social Security, taking into account the age, sex distribution and occupations of the population. The difference between 'consumption' as defined for the CLE (see Appendix 1) and estimated 'requirements' is largely accounted for by losses of potentially edible food during manufacture, storage, distribution and preparation for consumption, which occur after the points of measurement adopted for the CLE, but before the food is actually ingested.

Nutrients

There has also been a very considerable shift in the pattern of food supplies when measured in terms of the main nutrients – carbohydrates, animal and vegetable protein, fats, etc.

Grams per head per day

	Protein			Fat	Carbohydrate
	Animal	Vegetable	Total		
Pre-war	43·1	36·0	79·1	131	414
1947	43·6	45·4	89·0	107	433
1954	45·9	36·3	82·2	138	431
1960s (Av)	51·5	34·5	86·0	143	402
1970	52·5	33·7	86·2	145	390
1977	51·5	32·5	84·0	131	378

The most marked trend has been a steady reduction over the past thirty years in the consumption of carbohydrates (especially starch), with an associated decrease in vegetable protein, offset in part by increases in the consumption of animal protein.

Consumption of fats was substantially reduced under food rationing, and by 1947 total fat consumption had fallen to 107 grams per head per day, nearly one quarter below pre-war levels. From this low point it increased steadily to a peak of 146 grams in 1969. Changes in consumer habits then brought about a small but significant reversal of this upward trend. The introduction of new conversion factors for the fat content of meat in 1974 resulted in a reduction of some 8 grams in that year's published results, and consumption has now settled at around 130 grams per head per day.

The total supplies of six major vitamins and two minerals have also been evaluated throughout the period. Pre-war average levels concealed inadequate diets for many people, but by 1947 some intakes had risen dramatically.

Supplies of vitamins and minerals per head per day

	Pre-war	1947	1954	1970	1976
Calcium (mg)	700	1140	1050	1120	1130
Iron (mg)	13·0	16·5	13·9	15·0	12·9
Vitamin A (iu)*	3,690	3,640	4,191	4,400	4,460
Thiamin (mg)	1·30	1·76	1·73	1·89	1·64
Riboflavin (mg)	1·59	1·81	1·83	1·90	1·94
Nicotinic acid (mg)	13·2	16·3	15·2	20·3	19·3
Vitamin 'C' (mg)	96	111	99	101	91
Vitamin 'D' (iu)*	112	181	143	118	119

*(iu) = international unit.

Much of the change was due to the increased consumption of liquid milk and to compulsory increases in the mineral and vitamin content of flour. Between 1954 and the early 1970s, the many changes in food supplies resulted in further increases in the nutrient content of the average diet.

Changes in some major food groups

There has also been a very considerable shift in the sources and in the kinds of foods entering the distribution chain. Detailed figures for supplies of all the major foodstuffs, measured at the points at which they enter the food distribution chain*, are given in Table 1 of Appendix 2. To permit some degree of aggregation, products have been presented in twelve broad groups of foods, with a separate section for alcoholic drink. Where appropriate, totals have been converted to units common to the groups – for example, 'milk solids' is chosen for aggregating dairy products, and 'edible weight' for the meat and fish groups†.

Detailed information on the actual tonnages, and the main sources of supply, are contained in the *Annual Review of Agriculture*[5] and in press releases from the Ministry of Agriculture, Fisheries and Food[6].

Dairy products

During the years of control there was a very substantial increase in the consumption of liquid milk. Originally this was associated with the introduction of government-subsidised supplies of free or reduced-price milk, and the provision of milk in schools. Since 1955 there has been a decline, though when the support arrangements were changed in 1971 the reduced entitlements to cheap milk were soon made good by increased purchases of full-priced milk. Consumption of cream started to pick up in 1954, following a ban on sales during the war, and by 1977 had reached about five times the pre-war level. The United Kingdom has always been self-sufficient in liquid milk supplies, with the balance of milk production going to the manufacture of butter, cheese, concentrated milk and other products.

Consumption of cheese has risen steadily since the end of food rationing, with home-produced supplies now accounting for 63 per cent of the market. There has been a marked shift in the source of our cheese imports, with supplies from New Zealand falling from nearly half our pre-war consumption to only 4 per cent in 1977. This share of the UK market has largely been taken by our European Community partners, who together supplied some 32 per cent of our 1977 consumption.

Consumption per head per annum

	Liquid milk (litres)	Cream (kg)	Cheese (kg)
Pre-war	95·8	0·7	4·0
1947	134·0	—	4·2
1955	143·6	0·3	4·1
1960s (Av)	141·6	1·1	4·8
1970	137·2	1·5	5·4
1977	135·9	1·5	6·2

Supplies of meat

Consumption of meat, expressed in terms of edible weight, fell rapidly from the pre-war level of 53·9 kg to 40·9 kg in 1947, the year in which the meat ration fell to only one shilling per head per week. Supplies of pork and bacon increased sharply over the next decade. By 1955, consumption of meat had almost recovered to pre-war levels. The increase continued throughout the 1960s and by 1970 had reached almost 60 kg. Over recent years there has been a decline in the consumption of beef, lamb and bacon, and in 1977 total consumption was down to 55·5 kg, still above pre-war levels. There have been significant changes in the

* See the description of the CLE methodology in Appendix 1.

† The factors used for this purpose are given in Table 5 of the article in *Trade and Industry*, 18 November 1977.

respective shares of the main meats, as well as a substantial increase in the UK farmers' contribution to total meat supplies.

Consumption per head per annum

	Kilograms				
	Pre-war	1947	1955	1970	1977
Beef and veal	24·9	19·2	21·2	22·2	20·8
Mutton and lamb	11·4	11·0	11·1	9·6	7·2
Pork	5·6	0·5	8·1	11·1	11·3
Bacon	12·0	4·6	11·2	11·4	8·8
Poultry meat	2·3	2·2	2·9	10·7	11·6
Edible weight of all meat	53·9	40·9	53·4	59·9	55·5

Beef has retained its lead as the most popular meat, although consumption is below pre-war levels. The share produced at home has risen from just under half before the war to over 80 per cent in 1977. Pork overtook lamb in 1965 and ten years later was itself overtaken by poultry as the runner-up to beef. Consumption of mutton and lamb has fallen steadily during the last decade, which looks like an effect of the change in generations, since purchases of lamb are noticeably less amongst younger housewives. The growth in consumption of pork has been favoured by the spread of refrigerators and deep-freezers, which seem to have overcome the tradition of restricting purchases to months containing the letter 'R'. Consumption of bacon has not shared in this rise, and reflects a move away from the traditional British cooked breakfast, and the growth in consumption of cereal breakfast foods. Consumption of poultry meat is now five times greater than pre-war, when it tended to be concentrated around Christmas. The introduction of mass supplies of broiler chickens and the growth of retail outlets for quick-frozen poultry meat has established a year-long demand for this 'convenience' food.

Fish and eggs

Consumption of fish (fresh, frozen and cured) is now two thirds of pre-war, after a considerable rise in the immediate post-war years. Imported canned fish (sardines, etc.) has shown a similar trend. Consumption of shellfish, on the other hand, has nearly doubled over the last ten years.

Fish can no longer be regarded as a cheap source of protein, and there has been a dramatic fall in the number of local fresh fish shops. However, this has been largely offset by the increasing use by housewives of fish in the form of convenience foods such as quick frozen fillets and fish fingers.

The battery system has made home-laid eggs ('farm fresh' but not 'free range') available as never before. The United Kingdom is now virtually self-sufficient; before the war we produced just over 70 per cent of our requirements, with 10 per cent of the remainder coming from Denmark. Consumption per head rose from 201 pre-war to a peak of 255 in 1971 and was 237 in 1977. The demand for eggs has become very inelastic over a wide price range.

Oils and fats

After reaching a post-war peak in the 1960s, which was still below its pre-war level, butter consumption in the United Kingdom has been falling with the increasing popularity of soft margarine. Consumption of butter and margarine always fluctuates in an inverse relationship, depending largely on price elasticity, but health warnings against the consumption of too much animal fat, together with a shift away from a diet of bread and butter, have resulted in a downward trend in the total demand for 'yellow fats', as the following table shows:

Consumption of butter and margarine per head per annum

	Kilograms					
	Pre-war	1947	1955	1960s (average)	1970	1977
Butter	11·2	5·1	6·7	8·9	8·8	7·6
Margarine	3·9	6·8	8·0	5·1	5·0	5·3
Total	15·1	11·9	14·7	14·0	13·8	12·9

Only 9 per cent of butter was home-produced before the war, compared with 30 per cent in 1977. New Zealand still provides 28 per cent of our requirements, with the remaining 42 per cent coming from EEC countries other than the United Kingdom.

Sugar

Sugar consumption, after increasing in the 1950s and early 1960s to 47 kg per head, is now 38·6 kg, well below the pre-war average of 41·2 kg per head. Home production has increased from 18 per cent pre-war to around 35 per cent, depending on the harvest and the sugar content of the beet. In late 1974, following panic buying by consumers, UK supplies had to be made good by imports of some 300,000 tonnes of sugar from elsewhere in the EEC, and some 250,000 tonnes of raw sugar from world markets, with a special EEC import subsidy, but much of this additional supply appears to have been held for some months in the pipeline, involving a transfer of some 4 kg per head from 1974 to 1975. Cuba was the main source of imports pre-war, providing 22 per cent of supplies, followed by Australia, Mauritius and the British West Indies. No sugar at all now comes to the United Kingdom from Cuba and little from Australia, but Mauritius still sends 17 per cent of our needs, 8 per cent coming from Commonwealth countries in the West Indies.

Fruit

Supplies of fresh citrus fruit were suspended during the war years, and arrangements were made to substitute imports of concentrated orange juice, for distribution under welfare arrangements, to make good the loss of Vitamin C. Supplies of other fresh fruit came almost entirely from home production. As soon as restrictions on imports were lifted, the level of fruit consumption recovered to more or less pre-war levels. While the availability of varieties of fruit has widened considerably, the overall total has remained fairly stable, with any shortfalls in home production due to adverse growing conditions being made good

by imports. Technical developments, and the expansion of freezer outlets, have encouraged the demand for concentrated and other fruit juices, and consumption is now seven times the pre-war level.

Potatoes and potato products

Consumption of potatoes increased substantially during the war years and largely contributed to the rise in consumption of carbohydrates. Since then there has been a fairly steady decline, although increased sales of prepared potatoes (crisps, frozen, canned and dehydrated) substituting for raw potatoes, halted the decline after 1972. This trend towards the use of ready-prepared foods is common to many areas of the food industry. The low yield of potatoes in the 1976 UK harvest resulted in the temporary lifting of import barriers on potatoes and in greatly increased arrivals of potato products (from non-EEC sources) to make up the shortfall. During 1976, one-third of potato consumption was in the form of products. With the return of more normal harvest conditions in 1977 and consequential reductions in price, raw potato consumption began to recover, with a corresponding fall in demand for potato products.

Consumption of potatoes and potato products per head per annum

	Kilograms (raw equivalent)						
	Pre-war	1947	1955	1960	1970	1976	1977
Raw	86·2	129·7	106·2	101·5	87·7	57·4	71·4
Products					15·8	27·7	24·8

Vegetables

The decline in potato consumption has largely been made up by increased usage of other vegetables, although consumption varies from year to year according to the availability of home supplies. The main increase has been in consumption of tomatoes, which went up from 4·7 kg per head pre-war to 7·1 kg in 1955, dropping to 5·7 kg in 1977. This reduction has been offset by increased amounts of canned tomatoes (mainly from Italy) which have risen from 0·9 kg per head pre-war to 2·1 kg in 1955 and to 4·4 kg in 1977.

Consumption of cabbage and greens has dropped, but legumes (mainly peas) are now an all-the-year round second vegetable owing to quick-freezing and other preservation techniques. Consumption went up from 4·2 kg per head pre-war to 10·5 kg in 1969; adverse weather conditions in 1975 and 1976 brought this figure down to 7·6 kg in 1976, but there was a recovery to 8·7 kg in 1977.

Potatoes and other vegetables together provide only 20 per cent of our vegetable protein, with 65 per cent coming from grain products and the balance from dried pulses and nuts (9 per cent) and fruit (6 per cent).

Grain products

Consumption of grain products (mostly wheat flour) peaked during the war at 113 kg compared with 95 kg pre-war. When food rationing finally ended consumption was already down to 89 kg, and this downward trend has continued. By 1975, it had reached 72 kg, although the shortfall in potatoes during the 1976 harvest stimulated some increase in demand for bread to replace the lost carbohydrates. There has been a steady increase in the consumption of breakfast cereals, from 0·8 kg pre-war to 3·9 kg in 1977, and in recent years consumption of rice has recovered to pre-war levels, possibly helped by improved processing techniques and a demand for more variety in the national diet.

Consumption of wheat and wheat flour has fallen from 88 kg to 65 kg per head over the four decades. However, the share provided by home farmers has increased from 23 per cent to 56 per cent (equivalent to an increase of $3\frac{1}{2}$ million tonnes). The other members of the European Community now provide about a quarter of our supplies, the balance coming mainly from Canada, which provides the strong wheat still found essential for baking the type of bread demanded by British housewives.

Beverages

The most obvious changes in diet, if not in nutritional value, are shown in drinking habits. Tea consumption has dropped from 4·2 kg per head pre-war to 3·7 kg in 1977, whereas coffee has risen from 0·3 kg pre-war to 2·1 kg in 1976, although the exceptionally high prices in 1977 brought this down to 1·7 kg per head. Usage of cocoa powder in 1977 was only 0·2 kg per head compared with 0·5 kg pre-war.

Changes in consumption of alcoholic drinks also perhaps suggest the growing adoption of Continental habits – and perhaps an indication of greater prosperity. More alcohol is being drunk but, whereas consumption of beer has risen only from 108·6 litres per head pre-war to 117·8 litres in 1977, supplies of spirits have gone up 150 per cent (from 1·0 litres pre-war to 2·5 litres in 1977) whilst wine consumption has trebled (2·1 litres pre-war to 6·3 litres in 1977). In the last twenty years, the average daily contribution of alcoholic drink to the calories we consume has increased from 98 kcal per head in 1956 to 166 kcal in 1976, though whether this contribution is as effective as the calories in food may be doubtful.

Self-sufficiency in food supplies

In the preceding section, some indications are given of the increased contribution to the nation's food supplies provided by UK farmers. Earlier articles[7] describe the method adopted by the Ministry of Agriculture, Fisheries and Food for measuring self-sufficiency in total food supplies. Before the 1939–45 war, the United Kingdom produced about one third (in value terms) of its total food requirements, including about one half of the kinds of food which can be grown in this country. The increase from pre-war to the 1950s was very marked. Latest figures indicate that we now produce nearly 54 per cent of all our food requirements, and almost two thirds of the kinds of food that can be grown at home. This achievement is even more remarkable when the increase in the UK population, from 47 million pre-war to 56 million in 1977, is taken into account.

Consumers' expenditure on food

In common with the experience of most developed countries, the proportion of total consumers' expenditure accounted for by purchases of food fell steadily once food supplies became readily available and consumer demand had been satisfied, but this trend flattened out in the early seventies. Estimates published in the national accounts[8] show that households' expenditure on food (excluding expenditure on meals taken outside households in restaurants, etc. or in residential institutions such as hospitals), has fallen from 27 per cent of total consumers' expenditure in 1938 to about 19 per cent in 1977. Households' expenditure on food rose from £1,195 million in 1938 to about £16,330 million in 1977.

Despite considerable changes in the kinds of food purchased, and the increasing trend towards purchasing ready prepared (convenience) foods instead of the more basic foodstuffs, a remarkable pattern of stability emerges when considering expenditure on broadly similar foods. For example, in 1938 housewives devoted 26·8 per cent of their food budget to purchases of meat; by 1977 this had risen only to 27·6 per cent. The share spent on bread and other cereals has declined slightly from 13·6 per cent to 12·0 per cent. Perhaps surprisingly, the share for fruit is down from 7·2 per cent to 5·6 per cent, while that for vegetables is up from 8·3 per cent to 11·5 per cent.

Distribution of household expenditure on food—percentages

	1938	1954	1970	1976	1977
Commodity group					
Bread and cereals	13·6	13·8	13·0	11·9	12·0
Meat and bacon	26·8	25·0	28·1	27·6	27·6
Fish	4·5	2·9	3·0	3·0	2·9
Oils and fats	6·5	6·3	4·2	3·9	4·4
Sugar, etc.	8·8	11·4	9·5	9·7	9·9
Dairy products	16·1	16·2	14·7	13·9	14·6
Fruit	7·2	6·2	5·8	5·4	5·6
Potatoes and vegetables	8·3	9·5	11·9	14·0	11·5
Beverages	5·2	5·9	6·4	7·1	8·1
Other manufactured food	3·0	2·8	3·4	3·5	3·4
All food	100·0	100·0	100·0	100·0	100·0

Household expenditure on food as a percentage of total consumers' expenditure

1938	1954	1970	1976	1977
27·2	27·3	20·0	19·1	19·5

Summary

Annual estimates of food available for consumption in the United Kingdom have been calculated by the Ministry of Agriculture, Fisheries and Food. With less physical activity, and more older people in the population, the energy content of our diet, excluding the contribution from alcoholic drink, has fallen from 3,050 kcal pre-war to 2,930 kcal per head per day in 1977. Information on the principal nutrients indicates a steady reduction in the consumption of carbohydrates and vegetable protein, and increases in animal protein. There have been marked changes in the sources of our principal foods, and UK agriculture now provides about two-thirds of the kind of foods that can be grown in this country. Household expenditure on food within total consumers' expenditure has fallen from 27 per cent in 1938 to only 19 per cent in 1976 and 1977. The pattern of spending by households on the broad groups of foods has remained remarkably constant, despite substantial changes in prices and in the composition of food as finally purchased.

References

[1] Estimates for pre-war years, based on official figures for various periods between 1934 and 1939 and for the years 1940 to 1966, were published in the *Board of Trade Journal*, 8 March 1968, pp 753–759; revised estimates for 1955 to 1972 were published in *Trade and Industry*, 30 August 1973, pp 459–466; a revised estimate for 1975 and provisional results for 1976 were published in *Trade and Industry*, 18 November 1977, pp 366–368.

[2] *Household Food Consumption and Expenditure:* Annual Report of the National Food Survey Committee. (HMSO).

[3] *Family Expenditure Survey Report*, (HMSO); annual.

[4] 'A plain man's guide to the Family Expenditure Survey': *Department of Employment Gazette*, Vol. 86, No. 2, February 1978.

[5] '*Annual Review of Agriculture 1978*', Cmnd. 7057 (HMSO).

[6] MAFF 'Food Facts' series.

[7] *Economic Trends*, No. 90, August 1969.
Economic Trends, No. 217, November 1971.

[8] *National Income and Expenditure*, (HMSO), annual.

APPENDIX 1

The CLE methodology

The figures do not represent the quantity of each food that any particular individual eats, but are national averages for calendar years showing what supplies moved into the food distribution chain, and thus became available for consumption by the UK population. They provide the means, not otherwise available, of comparing overall food supplies during four decades between pre-war and the present day.

Although the broad principles on which the tables are based remain unchanged, it is inevitable that in producing estimates over a long run of years, there has been a certain amount of flexibility, and that breaks in basic data and changes in methods have occurred. For instance, although estimates for the pre-war period and from 1948 onwards related to consumption by the *de facto* population of the United Kingdom, estimates for 1940–47 (when there were large numbers of Armed Forces based in the United Kingdom, fed at different ration scales) related to only the civilian population. Similarly, improved methods of allowing for wastage from 1948 onwards changed the way of obtaining estimates of consumption of fresh fruit and vegetables; later, in 1959 the first point of measurement for these was transferred from the wholesale to retail level (thus eliminating further wastage) and use was made of estimates of consumption provided by the National Food Survey.

For most foods, supplies are measured at the farm gate, at the point of processing or at the point of entry into the United Kingdom. Deductions are made for exports, for non-food uses and for a certain amount of waste, and some account is taken of changes in measured stocks. The totals are divided by the mid-year population to give average consumption per head. This methodology appears to be relatively straightforward, but in practice considerable difficulties are encountered in measuring supplies, ensuring complete coverage and avoiding duplication.

Imports are well recorded in the *Overseas Trade Statistics*, and there are few problems in estimating the amounts of these going for human consumption. The sources and points of measurement for home production statistics, however, are many and include the Agricultural Census, returns received from processors of manufactured foods, and sample surveys such as the National Food Survey and the Family Expenditure Survey. When dealing with processed foodstuffs, consideration has to be given to the stage in manufacture at which the supply is measured; for example, as wheat, as flour, or as bread. From experience it has been found that the most convenient point at which to measure most products is at the first stage of processing. Thus, in the example given, the supply would be the quantity of flour produced. Hence the figures generally represent movements into distribution rather than into final consumption. The main exception to this rule, as mentioned in connection with fresh fruit and vegetables, is where significant known wastage occurs between wholesale and retail distribution.

Where there are no measured stocks figures obtainable, such as with wholesalers and retailers, it is usually assumed that end-year stocks remain constant. Where it is known that exceptional trading conditions have resulted in significant changes in stocks held beyond the point at which supplies are measured for the CLE exercise, estimates are made to correct for these effects. For example, apparent over-buying of sugar at the end of 1974 was adjusted by carrying forward some 200,000 tonnes to the 1975 consumption estimates.

To monitor the balance and quality of the nation's diet, the supply figures are converted each year to energy value and nutrient content equivalents. These factors are supplied by the Ministry's Food Science Division and are revised systematically in order to take account of changes in the composition of foods. The nutrients in the recorded quantity of each food item in these supplies are calculated by means of a special table of food composition. These allow for the exclusion of inedible material such as bones and vegetable skins, but not for subsequent losses during distribution or in the home. Furthermore, no deductions are made for losses of unstable nutrients during storage (except for vitamin C in potatoes) or in cooking.

The summary tables in Appendix 2 show figures for key points in the period under review. More detailed tables for all years covered by the article are available from the Ministry of Agriculture, Fisheries and Food, 3 Whitehall Place, London SW1A 2HH (01–839 7711, ext. 479).

APPENDIX 2

Food supplies moving into consumption in the United Kingdom

TABLE 1

	Kilograms per head per annum								
	Pre-war	1943	1947	1955	1965	1970	1975	1976	1977[1]
I. Dairy products (excluding butter)									
Liquid milk	98·5	135·4	137·8	147·6	145·7	141·1	146·1	144·2	139·7
(litres)	(95·8)	(131·7)	(134·0)	(143·6)	(141·7)	(137·2)	(142·1)	(140·2)	(135·9)
Cream (40% fat content)	0·7	—	—	0·3	1·0	1·5	1·6	1·5	1·5
Cheese	4·0	5·2	4·2	4·1	4·6	5·4	6·3	6·1	6·2
Evaporated milk, full cream, unsweetened	1·2	0·8	1·7	1·8	2·1	2·4	1·9	1·6	1·5
Condensed milk, full cream, sweetened	2·0	0·6	0·5	0·7	0·5	0·4	0·2	0·2	0·2
Condensed milk, machine skimmed	2·8	0·8	0·5	0·4	0·8	1·1	0·8	1·1	1·5
Dried whole milk	0·3	0·4	0·7	0·6	0·8	0·5	0·2	0·1	0·2
Dried skimmed milk	0·4	1·5	0·8	0·8	1·0	1·5	1·5	1·1	1·5
Milk as liquid in manufactured products, n.e.s.	0·5	0·2	...	5·3	7·0	7·0	6·1	5·8	5·6
Yoghurt	—	—	—	—	—	—	1·6	1·7	1·8
Total—converted to milk solids	17·4	22·7	22·0	23·9	25·1	25·4	26·4	25·5	25·5
II. Meat									
Beef—bone in	24·1	10·7	14·6	20·3	17·9	18·9	21·3	18·7	19·1
Beef—bone out (bone in equivalent)	0·8	4·3	4·6	0·9	2·2	3·3	2·2	2·3	1·7
Mutton and lamb	11·4	11·9	11·0	11·1	10·5	9·6	8·3	7·6	7·2
Pork	5·6	3·4	0·5	8·1	11·7	11·1	10·3	10·2	11·3
Offal	3·4	2·5	2·7	3·6	4·4	3·5	4·0	3·7	3·9
Imported meat products	1·4	3·6	5·4	3·9	3·1	3·4	3·2	3·9	3·9
Bacon and ham	12·0	8·4	4·6	11·2	11·7	11·4	8·7	8·5	8·8
Poultry meat	2·3	1·5	2·2	2·9	7·6	10·7	11·4	11·5	11·6
Rabbits and game	1·7	0·6	0·9	0·2	0·3	0·3	0·2	0·1	0·1
Total—converted to edible weight	53·9	41·1	40·9	53·4	58·6	59·9	57·0	54·4	55·5
III. Fish									
Fresh, frozen and cured (wet fillet equivalent)	9·9	6·4	12·9	8·6	7·8	7·3	6·1	6·5	6·3
Shell fish, fresh and frozen (edible weight)	0·4	0·5	0·3	0·3	0·3	0·6	0·6	0·6	0·5
Canned fish (imported)	1·6	1·4	1·3	0·7	1·3	1·0	1·2	1·2	1·2
Total—edible weight	11·9	8·3	14·5	9·7	9·4	8·9	7·9	8·3	8·0
IV. Eggs									
Shell eggs (number)	201	106	139	210	250	251	232	236	237
Egg products (equivalent number of eggs)	19	85	52	19	21	24	14	12	12
Total	220	191	191	229	271	275	246	248	249
V. Oils and fats (visible)									
Butter	11·2	3·4	5·1	6·7	8·8	8·8	8·4	8·2	7·6
Margarine (net)	3·9	7·7	6·8	8·0	4·4	5·0	4·3	5·4	5·3
Lard and compound cooking fat	4·2	5·4	3·4	4·8	6·1	5·5	5·9	5·5	6·5
Other edible oils and fats	4·6	3·0	3·0	4·7	5·3	6·3	5·5	5·7	5·7
Total—converted to fat content	21·4	17·7	16·3	21·8	22·4	23·3	21·8	22·3	22·8
VI. Sugar and syrups									
Sugar, refined (net)	41·2	29·3	35·7	46·2	45·4	44·0	38·9	41·6	38·6
Honey	0·2	0·1	0·3	0·3	0·3	0·4	0·4	0·3	0·3
Glucose	3·0	1·4	1·6	3·2	4·4	5·3	7·9	8·7	8·9
Total—sugar content	43·5	30·3	37·0	48·9	49·2	48·8	45·9	49·2	46·5

[1] Provisional

Food supplies moving into consumption in the United Kingdom

TABLE 1 *(continued)*

	Kilogrammes per head per annum								
	Pre-war	1943	1947	1955	1965	1970	1975	1976	1977[1]
VII. Fruit									
Fresh citrus fruit	12·9	0·9	9·4	8·4	8·7	9·9	9·3	9·2	8·8
Other fresh fruit	22·7	12·1	21·5	21·7	24·7	24·7	22·2	24·3	22·1
Canned fruit	4·7	1·3	2·0	6·3	8·6	8·3	6·8	6·6	7·0
Imported fruit juices (natural strength)	0·5	1·7	1·6	2·0	2·2	2·4	3·9	3·7	3·7
Imported fruit pulp	1·7	2·4	1·9	0·6	0·5	0·6	0·7	0·9	1·1
Imported dried fruit	3·6	2·8	3·5	2·9	2·5	2·4	2·1	2·3	2·3
Total—converted to fresh equivalent	56·2	30·6	51·4	51·3	55·4	56·6	53·6	56·2	53·7
VIII. Pulses and nuts									
Dried pulses	3·4	1·9	2·7	3·6	3·4	3·4	3·1	2·7	2·1
Shelled nuts and soya flour	1·0	0·8	0·9	1·6	2·3	2·3	2·3	2·6	2·6
Total	4·3	2·7	3·6	5·2	5·7	5·7	5·4	5·3	4·7
IX. Potatoes and potato products									
Raw potatoes	—	—	—	—	—	87·7	78·2	57·4	71·4
Crisps	—	—	—	—	—	6·3	7·8	7·2	7·0
Frozen and par-fries	—	—	—	—	—	3·4	8·3	8·0	7·5
Canned and dehydrated	—	—	—	—	—	4·9	5·3	10·2	8·2
Pre-peeled	—	—	—	—	—	1·2	2·1	2·3	2·1
Total—raw potato equivalent	86·2	112·9	129·7	106·2	100·9	103·5	101·7	85·1	96·2
X. Other vegetables									
Fresh tomatoes	4·7	4·0	6·8	7·1	5·9	6·1	5·9	5·9	5·7
Imported canned tomatoes (inc. juice and puree)	0·9	0·1	0·9	2·1	2·5	3·1	2·9	4·0	4·4
Cabbage and greens	21·1	25·6	23·3	17·0	17·0	16·4	15·0	15·0	15·1
Leafy salads	1·4	1·5	1·9	1·9	2·0	2·0	2·2	2·1	2·1
Fresh carrots	4·0	6·7	6·0	5·2	5·5	5·2	5·0	5·7	6·0
Fresh legumes	4·2	4·2	3·4	5·7	8·8	10·2	8·1	7·6	8·7
Other fresh vegetables	16·8	14·6	17·7	13·0	13·1	12·6	14·3	16·4	16·2
Other canned vegetables	0·9	0·5	1·2	2·2	3·6	4·5	4·7	4·9	4·5
Total—converted to fresh equivalent	54·6	57·3	61·6	55·2	60·9	63·0	60·5	64·8	66·3
XI. Grain products									
Wheat flour	88·2	104·4	102·0	82·8	70·3	66·2	64·4	66·1	65·4
Barley products	0·3	0·3	0·9	0·3	0·1	0·2	0·1	0·1	0·1
Oat products	2·4	4·9	4·1	1·7	1·4	1·2	1·4	1·4	1·4
Rye products	0·1	0·5	0·4	0·2	0·1	0·2	0·1	0·1	0·1
Breakfast cereals	0·8	0·9	1·4	1·9	2·4	3·1	3·5	3·9	3·9
Rice	2·0	1·3	0·1	0·9	1·4	1·4	1·5	2·1	2·1
Starch and other farinaceous foods	1·4	0·5	0·8	1·2	1·5	1·6	1·1	1·3	1·0
Total	95·3	112·9	109·6	88·9	77·3	73·9	72·1	75·0	74·0
XII. Tea, coffee and cocoa									
Tea	4·2	3·2	3·9	4·2	4·1	3·9	3·5	3·6	3·7
Coffee (bean equivalent)	0·3	0·5	0·7	0·6	1·3	2·0	2·2	2·1	1·7
Cocoa powder	0·5	0·7	0·8	0·7	0·6	0·5	0·3	0·3	0·2
XIII. Alcoholic drink									
Spirits (proof litres)	1·0	1·0	0·9	1·0	1·4	1·6	2·6	2·9	2·5
Beer (litres)	108·6	112·6	103·9	79·7	91·4	101·5	117·2	118·8	117·8
Wine (litres)	2·1	0·5	1·1	1·5	2·9	3·8	6·3	6·8	6·3

[1] Provisional

Energy and nutrient equivalents per head per day

TABLE 2

		Pre-war	1943	1947	1955	1965	1970	1975	1976	1977[1]
Food										
Protein										
Animal	(grams)	43·1	40·9	43·6	46·8	51·1	52·5	52·7	51·3	51·5
Vegetable	(grams)	36·0	43·9	45·4	35·4	35·5	33·7	31·4	31·9	32·5
Total	(grams)	79·1	84·8	89·0	82·2	86·6	86·2	84·1	83·2	84·0
Fat (from all sources)	(grams)	131	116	107	139	140	145	130	130	131
Carbohydrate[2]	(grams)	414	411	433	425	404	390	376	386	378
Energy value	(kJ)[3]	12,760	12,220	12,300	13,260	13,140	13,010	12,200	12,300	12,260
	(kcal)	3,050	2,920	2,940	3,170	3,140	3,110	2,910	2,940	2,930
Alcoholic drink										
Energy value	(kJ)[3]	—	—	—	402	481	540	670	694	669
	(kcal)	—	—	—	96	115	129	160	166	160

[1] Provisional.

[2] Available carbohydrate expressed as monosaccharides.

[3] 1,000 kilocalories (kcal) = 4,184 kilojoules (kJ).

The Budget 11 April 1978

The following are the proposed changes in taxation, as set out in the *Financial Statement and Budget Report 1978–79* (HMSO April 1978)

INLAND REVENUE

Income tax

It is proposed to increase the single person's allowance and the maximum wife's earned income relief from £945 to £985 and the married allowance from £1,455 to £1,535.

It is proposed to increase the additional personal allowance from £510 to £550.

It is proposed to increase the age allowance for the single person from £1,250 to £1,300, for the married from £1,975 to £2,075, and the age allowance income limit from £3,500 to £4,000.

It is proposed to introduce a lower rate of 25 per cent on the first £750 of taxable income (with a separate lower rate band of £750 for a wife's earnings). It is also proposed to extend the basic rate band by £250 to £6,250 (reduced, as appropriate, by any wife's earnings charged at the lower rate).

It is proposed that the width of the 55 per cent and 60 per cent bands should be £1,500, that the width of the 70 per cent band should be £2,500, and that the width of the 75 per cent band should be £5,500.

As a consequence of these changes, the structure of personal tax rates in operation in 1978–79 will be:

Bands of taxable income

£	*Per cent*	£	*Per cent*
0– 750	25	11,500–13,000	60
750– 7,000	34	13,000–15,000	65
7,000– 8,000	40	15,000–17,500	70
8,000– 9,000	45	17,500–23,000	75
9,000–10,000	50	Over 23,000	83
10,000–11,500	55		

It is proposed to raise the threshold for the investment income surcharge for 1978–79 from £1,500 to £1,700, and to increase the 10 per cent band to £550 so that the 15 per cent rate is reached at £2,250. For persons aged 65 or over, it is proposed to raise the threshold from £2,000 to £2,500, with a 10 per cent band of £500, so that the 15 per cent rate is reached at £3,000. The resulting structure of investment income surcharge for 1978–79 will be:

Bands of investment income

Under 65		*65 or over*	
£	*Per cent*	£	*Per cent*
1,700–2,250	10	2,500–3,000	10
Over 2,250	15	Over 3,000	15

It is also proposed that maintenance payments should be exempt from the surcharge.

As the second stage of the scheme to phase out child tax allowances and replace them with child benefit, it is proposed to reduce the child allowances to £100 for each child not over 11, £135 for each child over 11 but not over 16 and £165 for each child over 16 (as compared with their 1977–78 levels of £196, £231 and £261 respectively for first children, and £170, £205 and £235 respectively for subsequent children). It is proposed that child tax allowances for certain children living abroad should be maintained at the level set for them in the 1977 Finance Act. It is also proposed to increase to £80 the exemption limit for child dependency allowance received by widows and certain other social security beneficiaries.

It is proposed that the income limit on a child's earned income for the purposes of the child tax allowance should be increased from £350 to £500.

It is proposed to introduce provisions to give some relief for the self-employed and members of United Kingdom partnerships living in this country and working abroad.

It is proposed to allow relief against general income of the three previous years for a trading loss sustained, in 1978–79 or later, in the first year in which an individual carries on a trade or in any of the next three years.

It is proposed to introduce a provision to allow a farmer to average the profits of two consecutive years where there is a change of 30 per cent in profits from one year to the other.

It is proposed to introduce provisions for taxing certain persons engaged in diving operations under Schedule D instead of Schedule E.

It is proposed to provide relief for profit sharing with effect from the year 1979–80.

It is proposed to increase the earnings limit above which the special rules for taxing benefits in kind apply from £7,500 to £8,500 with effect from the year 1979–80.

Income tax and corporation tax

It is proposed to introduce an initial allowance of 20 per cent for capital expenditure on agricultural buildings and works.

It is proposed to introduce capital allowances for expenditure on hotel buildings at the rate of 4 per cent per annum with an initial allowance of 20 per cent.

It is proposed to introduce provisions under which, following the grant of a lease of more than 50 years of an industrial building, the lessee may become entitled to industrial buildings allowances instead of the lessor.

It is proposed to make provision with retrospective effect against the avoidance of tax by partnerships (other than partnerships between individuals) dealing in commodity futures.

It is proposed to make provision with effect from 3 December 1976 against the avoidance of tax by the sale of land with a right to repurchase.

Corporation tax

It is proposed for the financial year 1977 to increase the lower and upper limits for the 'small companies' rate of corporation tax from £40,000 and £65,000 to £50,000 and £85,000 respectively.

It is proposed to give further relief from apportionment to close trading companies for accounting periods ending after Budget day.

It is proposed to reduce to 10 per cent the rate of corporation tax on the chargeable gains of an authorised unit trust or approved investment trust as from 1 April 1977.

Corporation tax and capital gains tax

It is proposed to provide relief for guarantee payments or losses incurred in respect of certain loans made to traders.

Capital gains tax

It is proposed to replace the small disposals exemption and the alternative basis of charge by an exemption for individuals of the first £1,000 of net annual gains, with a lower rate of 15 per cent on the excess for gains up to £5,000 and a marginal relief for gains between £5,000 and £9,500.

It is proposed to provide a rollover relief for gifts, including partial gifts, of business assets and to make some improvements in the relief available for the replacement of business assets.

It is proposed to increase the maximum figure of gains eligible for exemption under the retirement relief provisions from £20,000 to £50,000.

Capital transfer tax

It is proposed to amend the law relating to deeds of family arrangements and disclaimers.

It is proposed to amend the provisions relating to settled property.

It is proposed to extend the relief available for transfers to employee trusts.

It is proposed to prevent the avoidance of tax when certain insurance policies are taken out for the benefit of another person.

CUSTOMS AND EXCISE

Surcharges and rebates in respect of revenue duties

It is proposed to extend for a further year the existing powers under Section 9 of the Finance Act 1961 which enable the Treasury by Order to impose a surcharge or allow a rebate in respect of the main revenue duties of customs and excise.

Value added tax

It is proposed to amend Section 20 (1) and Schedule 1 to the Finance Act 1972 relating to value added tax, so as to increase the registration limit to £10,000 per annum from 12 April 1978 and the deregistration limit to £8,500 per annum from 1 July 1978.

It is proposed to amend the law to enable the Commissioners of Customs and Excise to deregister a person who has ceased to be liable to be registered, by virtue of paragraph 2 of Schedule 1 to the Finance Act 1972, and who has failed to comply with the legal provisions relating to submission of returns or payment of value added tax.

It is proposed to introduce certain reliefs from the liability to value added tax in respect of bad debts where the debtor becomes formally insolvent.

Tobacco

It is proposed that from 4 September 1978 the specific rate of the excise duty on cigarettes shall be increased by £2·25 per 1,000 cigarettes in respect of cigarettes with a tar yield of 20 mg or more.

Gaming licence duty

It is proposed to amend the Betting and Gaming Act 1972 to provide that the gaming licence duty chargeable in Scotland for a period beginning after 31 March 1978 shall be based on the rateable value in force on that date.

Anti-dumping duties

It is proposed to make amendments to the law relating to anti-dumping measures, to enable the United Kingdom to impose duties of customs on third country goods to give effect to obligations arising from its membership of the European Coal and Steel Community.

Forecast effects of changes in taxation

The effects shown are direct effects: *i.e.* the difference between the yields of pre-Budget and post-Budget tax rates at the same levels of income and activity. The expenditure tax figures do, however, allow for the effects of relative price changes on the composition of consumers' expenditure.

	£ million	
	Forecast for 1978–79	Forecast for a full year
Inland Revenue		
Income tax		
Increase in single allowance by £40 and married allowance by £80	— 415	— 500
Increase in additional personal allowance by £40	— 4	— 5
Increase in age allowance by £50 (single) and £100 (married), and in income limit	— 53	— 67
Introduction of lower rate on first £750	—1,317	—1,569
Extension of basic rate band by £250 to £6,250	— 52	— 66
Changes in higher rate bands	— 64	— 140
Increase in investment income surcharge thresholds	— 3	— 31
Exemption of maintenance payments from surcharge	Negligible	— 1
Increase in child's earned income limit	Negligible	— 5
Change in treatment of overseas profits of self-employed	Negligible	— 10
Loss relief against general income for new traders	Negligible	— 5
Averaging relief for farmers	Negligible	— 10[1]
Change to Schedule D assessment for certain divers	— 9	— 1
Income tax and corporation tax		
Initial allowance for capital expenditure on agricultural buildings	Negligible	— 20[2]
Allowances for capital expenditure on hotel buildings	Negligible	— 15[2]
Industrial buildings allowances: long leases	Negligible	— 2
Corporation tax		
Increase in limits for small company relief	— 11	— 20
Further relief from apportionment	Negligible	— 2
Decrease in rate on chargeable gains of certain trusts	— 7	— 11
Corporation tax and capital gains tax		
Relief for losses on loans	Negligible	— 5
Capital gains tax		
Exemption and lower rate band	— 15	— 65[3]
Rollover relief for lifetime gifts of business assets	—	— 5
Increase of exemption under retirement relief provisions	—	— 5
Total Inland Revenue	—1,950	—2,560
Customs and Excise		
Value added tax		
Increase in registration limits	— 5	— 15
Bad debt relief	— 15	— 35
Excise duties		
Increase in duty on higher tar cigarettes	+ 10	+ 25
Total Customs and Excise	— 10	— 25
Total	**—1,960**	**—2,585**
	Forecast for 1979–80	Forecast for a full year
Inland Revenue: Changes to take effect in 1979–80		
Relief for profit sharing[4]	— 25	—100
Increase in threshold for benefits in kind	— 3	— 4

[1] The cost in 1979–80 will be £3 million.
[2] The cost in 1979–80 will be £5 million for agricultural buildings and £5 million for hotels.
[3] The cost in 1979–80 will be £40 million.
[4] The tax loss will depend on the extent of participation in profit sharing schemes, but might eventually exceed £100 million; the estimate of the cost in 1979–80 is speculative.

The economic outlook to mid-1979

The following note and tables are reproduced from the *Financial Statement and Budget Report 1978–79* (HMSO April 1978).

Introduction

The Government expect a moderate rate of growth of total output (GDP) of about 3 per cent over the coming year. By statistical convention, North Sea oil is valued at the relative prices of 1970. Valuing oil at the relative price of 1975 (reflecting the national accounting convention which will be applied from this Autumn) would, in itself, add about ¾ per cent to the growth rate. A small current account surplus is forecast. A further slowing of the rise in the retail price index to 7 per cent during 1978 is followed by a slight acceleration in the first half of 1979. Personal consumption and exports produce the most substantial increases in demand. Stockbuilding and some categories of private sector investment may also show significant increases.

Tables 1 and 2 set out Government forecasts for the period to mid-1979. Table 2 and the first column of Table 1 show the main forecast which has been used in preparing the projection for the public sector shown in Parts II and III of the *Financial Statement and Budget Report*. The second column of Table 1 summarises the implications of alternative assumptions reflecting a better trading performance.

Assumptions

The forecasts assume that average pay increases in the year beginning in August 1978 are about half the average for the current pay round. Monetary and fiscal policy assumptions are consistent with the Budget proposals. The exchange rate is taken as determined primarily by market forces. Labour cost competitiveness improves during 1978 to levels roughly equivalent to those of 1977.

Domestic demand

Both tax reductions and the effects on real incomes of slower price increases are now stimulating personal consumption. Real personal disposable incomes fell sharply during the first half of 1977 but have been rising strongly in recent months due to the income tax reductions announced last October, the appreciation of sterling in 1977, and weak commodity prices. The Budget tax reductions will provide a further boost to real disposable incomes; they can be expected to show a very marked rise (over 7 per cent compared with a year previously) up to the middle quarters of 1978, followed by a much more modest rise thereafter.

The path of personal consumption in these circumstances is still very uncertain. Personal consumption usually lags behind real income and fluctuates much less. On the other hand, lower inflation may well tend to reduce the savings ratio. On balance, the savings ratio will probably rise whilst real incomes are increasing particularly quickly, but then fall. Taking the period as a whole, average rates of savings may be close to those of 1977. Personal consumption is forecast to increase by 4 per cent over the year ending in the first half of 1979.

Private sector investment in both manufacturing and the distributive and service industries should increase significantly. Department of Industry surveys indicate a strong rise both in 1978 and, more tentatively, in 1979. The survey evidence has been interpreted cautiously because of the lack of output growth in 1977. A small decline is expected in the North Sea investment programme, from a peak in 1978. Overall, only a moderate increase is expected in total investment.

Stocks in manufacturing and distribution were reduced in the second half of 1977. They appear to have built up excessively in the earlier part of 1977 when consumer demand fell sharply. Over the whole forecast period, stocks should begin to rise in response to rising activity; but high rates of stock accumulation are not foreseen.

The increase of 2½ per cent shown for general government expenditure on goods and services reflects some recovery in investment after a sharp fall during 1977. The renewed increase in public consumption is no more than the projected rise in GDP. The forecasts provide, as is customary, both for a full allocation of the contingency reserve (over the whole range of public expenditure) and for a likely level of shortfall.

External trade and balance of payments

GNP of OECD countries grew by only about 3½ per cent in 1977. Production in the major European countries fell sharply in the second quarter of the year and even now shows only modest signs of recovery. Although total trade increased rather faster, world trade in manufactures also seems to have risen by no more than 3½ per cent. This is considerably less than would have been expected, even given the depressed state of world, and particularly European, activity. There is little reason to expect any significant acceleration of OECD output in 1978, but the unusual relationship between world production and world trade is unlikely to persist. A growth in total trade around 6½ per cent, and of trade in manufactures close to 7½ per cent (weighted with respect to UK markets) is forecast.

In 1977 UK exports of manufactures increased by nearly 8 per cent in volume. This was over twice the increase in world trade. The increase in the UK share of world markets was probably due in part to the improvement in cost and price competitiveness following the depreciation of sterling in 1976. However, exports rose more quickly than past experience of improved competitiveness would have suggested. The 1976 advantage in price competitiveness was largely eroded in 1977 while much of the advantage in labour cost competitiveness has been retained. Future trends in exports are therefore difficult to judge. The main forecast extrapolates from past relationships relating UK exports to world trade and indicators of competitiveness. On this basis, exports of goods and services are forecast to grow by some 5½ per cent over the coming year. The variant assumes, in effect, some improvement in non-price competitiveness such as might be read into the 1977 figures. On this basis the forecast increase rises to 7 per cent.

Total import volumes rose only slightly during 1977. This reflected significant reductions in imports of oil and basic materials, offset by rises in imports of manufactures. Some acceleration in the growth of imports of manufactures is to be expected as expansion picks up, particularly in the consumer goods sector. Nevertheless, trends for import penetration of finished manufactures are extremely hard to assess. The judgement about import propensities reflected in the present forecast is near to the middle of a range of views expressed recently by a number of independent forecasters. In the main forecast, the volume of imports of goods and services is forecast to grow rather faster than the equivalent export volume. In the variant forecast, imports and exports grow at a more similar rate. Both forecasts reflect the continuing build-up in North Sea oil production.

The strength of sterling during 1977 and the weakness of commodity prices have led to a substantial improvement in the United Kingdom's terms of trade. While further movements of this magnitude cannot be expected, it seems reasonable to assume that most of the improvement will be retained into 1979. Some improvement is also foreseen in the invisibles account with a continuing rise in the balance of services rather more than offsetting a deterioration in transfers, interest, profits and dividends. The implication is that the current account is likely to remain in surplus throughout the forecast period, though not at the level of the exceptionally favourable second half of 1977.

Prices

Retail prices should maintain the lower trend established last summer. This will probably bring the year on year change down to 7 per cent by the summer of 1978. The prospect for 1979 depends greatly on future pay increases. However, even assuming further substantial progress in moderating pay increases, the year on year increase may rise slightly, in the first half of 1979. The trend this year is benefiting from an unusually favourable movement in import prices. This cannot be assumed for 1979, particularly if world growth increases. Also, the change between the second quarters of 1978 and 1979 will be affected by the unseasonably low level of some food prices in the first half of 1978.

Public sector borrowing

The forecast rise in the PSBR to £8½ billion in 1978–79 reflects reductions in taxation over and above full compensation for inflation. A number of factors which depressed the PSBR in 1977–78 are absent, in particular the sale of BP shares and the increased contribution of the clearing banks to the finance of export credit. For 1978–79, the PSBR forecast comes to 5¼ per cent of market price GDP, a long way below the 1975–76 peak of 9¾ per cent.

A variant forecast

Variants are a useful way of showing the implications of a different outcome for some single crucial feature of the forecast. One such variant is shown in the right-hand column of Table 1. It illustrates the possible effect of better trading results. This could be due to an improvement, compared with past experience, in the non-price competitiveness of British industry. It could also reflect a successful international effort to get world trade rising faster than the main forecast assumes. Most of the improvement is on the export side. The figures show an addition to GDP, compared with the main forecast, of 1 per cent by the first half of 1979 and also a small improvement in the current account. This, of course, can be no more than illustrative of the possible range of outcomes.

Margins of error

It is impractical to indicate the range of uncertainty by use of variants alone. An alternative approach is to look at the margins of error associated with earlier forecasts. A table showing average errors in official forecasts over a period of 5–10 years was published in conjunction with the post-measures forecasts published by press release on 26 October 1977*. Many factors affect the reliability of particular forecasts and these figures are at best a crude guide to the margins of error applying to the present forecast. They do, however, provide a salutary reminder that forecasts can never be a precise guide to the outturn. For example, the current account forecast for the second half-year of the forecast period has deviated from outturn by, on average, some 1½ per cent of GDP; in terms of the present forecast this would imply a margin to the forecast for the first half of 1979 of over £1 billion in either direction.

* Reproduced in *Economic Trends* No 288, October 1977 (HMSO).

Economic prospects to mid-1979

TABLE 1

	Main forecast	Variant with stronger trade performance
A. Output and expenditure at constant 1970 prices		
Percentage changes, first half 1978 to first half 1979:		
Gross domestic product (at factor cost)	3	4
Consumers' expenditure	4	4½
General government expenditure on goods and services	2½	2½
Other fixed investment	¾	1
of which Private sector manufacturing	4½	5½
Exports of goods and services	5½	7
Stockbuilding (as percentage of GDP)	½	1
Imports of goods and services	8	8
Manufacturing production	2½	4
B. Balance of payments on current account		
£ billion:		
1978 First half	¼	¼
Second half	½	½
1979 First half	¼	¾
C. Public sector borrowing requirement		
£ billion—In brackets, PSBR as a percentage of GDP at current market prices:		
Financial year 1977–78	5½ (4%)	5½ (4%)
Financial year 1978–79	8½ (5¼%)	8½ (5¼%)
D. Retail prices index		
Percentage change:		
Fourth quarter 1977 to fourth quarter 1978	7	7
Second quarter 1978 to second quarter 1979	8	7½

Forecasts of expenditure, imports and gross domestic product

TABLE 2

£ million at 1970 prices, seasonally adjusted

	Consumers' expenditure	General government expenditure on goods and services: Final consumption	General government expenditure on goods and services: Fixed investment	General government expenditure on goods and services: Total	Other fixed investment	Exports of goods and services	Stockbuilding[1]	Total final expenditure	*less* Imports of goods and services	*less* Adjustment to factor cost	Gross domestic product at factor cost[1]:	Gross domestic product at factor cost[1]: Index 1974 = 100
1975	35,300	10,800	2,150	12,950	7,450	14,350	−750	69,300	13,700	8,750	46,850	98·4
1976	35400	11,050	2,050	13,100	7,400	15,400	−150	71,150	14,200	9,000	47,950	100·7
1977	35,150	11,000	1,700	12,700	7,400	16,350	400	72,000	14,750	8,950	48,300	101·4
1978	36,900	11,250	1,600	12,850	7,850	16,950	100	74,650	15,850	9,550	49,250	103·4
1976 first half	17,600	5,500	1,100	6,600	3,650	7,500	−150	35,200	6,900	4,450	23,850	100·2
second half	17,800	5,550	950	6,500	3,750	7,900	—	35,950	7,300	4,550	24,100	101·1
1977 first half	17,400	5,500	900	6,400	3,700	8,050	450	36,000	7,450	4,400	24,150	101·4
second half	17,750	5,500	800	6,300	3,700	8,300	− 50	36,000	7,300	4,550	24,150	101·4
1978 first half	18,200	5,600	800	6,400	3,900	8,350	50	36,900	7,800	4,700	24,400	102·4
second half	18,700	5,650	800	6,450	3,950	8,600	50	37,750	8,050	4,850	24,850	104·4
1979 first half	18,900	5,700	850	6,550	3,900	8,850	150	38,350	8,400	4,900	25,050	105·3
Percentage changes												
Second half 1976 to second half 1977	− ½	− ½	−20½	−3½	−1	5		—	—	− ½		½
Second half 1977 to second half 1978	5½	3	3½	3	6	3½		5	10½	6½		3
First half 1978 to first half 1979	4	2½	4	2½	½	5½		4	8	4½		3
Percentage changes at annual rate												
First half 1977 to second half 1978	5	2	− 5	1	4½	4½		3	5½	6½		2
Second half 1977 to first half 1979	4½	2½	4	3	3½	4½		4½	10	5½		2½

[1] All figures in Table 2 are based on 'compromise' estimates of gross domestic product. Discrepancies between compromise and expenditure estimates have been added to stockbuilding.

Note: Figures in £ million are rounded to £50 million. Percentage changes are calculated from unrounded levels in £ million and then rounded to ½ per cent. The GDP index in the final column is calculated from unrounded numbers.

Round-up: what's new in economic statistics

Save As You Earn

The March Issue of *Financial Statistics* contains a supplementary table on Save As You Earn. The table shows the number and value of accounts with building societies, the Department for National Savings, and Trustee savings banks, annually for the years 1972-77 and quarterly for 1973-77.

Regional capital expenditure

A table in *Trade and Industry* for 17 March brings together from censuses of production, data on net capital expenditure in Scotland, Wales and Northern Ireland and the eight standard regions of England for the years 1972-76.

Operating ratios

The issue of *Trade and Industry* for 17 April presents an article describing the census of production operating ratios. These ratios, calculated by the Business Statistics Office from the provisional results of the 1976 census, enable industrial firms to compare their performance with their industry as a whole. The article explains how firms can calculate their own operating ratios in order to make the comparison. Inquiries about these ratios and the censuses of production in general should be made to the Business Statistics Office, Cardiff Road, Newport, Gwent.

Current cost accounting

Price index numbers for Current Cost Accounting, No. 7 (H.M.S.O. £3.25) was published on 18 April. This new edition contains five new price indices for the output of the construction industry, which in due course will replace the existing index of the cost of new construction.

Employment Gazette

The April issue of *Employment Gazette* contains articles on: labour force projections; annual revision of weighting for pensioner households in the retail prices index; the outcome of applications to industrial tribunals under the Equal Pay and Sex Discrimination Acts in 1977; and the number of work permits issued in 1977. Special features in this issue include: John Elliot on industrial democracy; John Fyfe and Andrew McCloud on company manpower planning; and Richard Pearson and John Greenwood on the impact of redundancies on a local labour market. Also covered is work-sharing as a way to ease unemployment, and surveys of the Youth Employment Subsidy and Job Release Scheme.

Index of sources

Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

	Page	*Source*	*Further statistics*
Average earnings (see Earnings)			
Balance of payments		Central Statistical Office	Financial Statistics; Quarterly articles in Economic Trends
Current balance	5,46,48		
Invisibles	46		
Official reserves	48		
Balance for official financing	48		
Bank advances (see Banking)			
Banking		Bank of England	Financial Statistics
Bank advances	60,62		
Deposits with the banking sector	60		
Eligible liabilities, reserve ratio, special deposits and supplementary deposits	62		
Bank of England's minimum lending rate (see Interest rates)			
Building societies		Central Statistical Office; Building Societies Association	Financial Statistics
Average prices of new dwellings on mortgage (see Housing)			
Net increase in shares and deposits	20		
New commitments for mortgages	20		
Recommended share rate (see Interest rates)			
Car registrations and production (see Motor vehicles)			
CBI Intentions Inquiry (see Fixed investment)			
Coal (see Fuel and power)			
Commercial vehicles, production (see Motor vehicles)			
Companies		Central Statistical Office	Financial Statistics
Appropriation account	58		
Financial companies			
Financial account, net acquisition of financial assets	56		
Saving	56,58		
Gross trading profits	58		
In relation to total domestic income	14		Monthly Digest of Statistics
Income	58		Financial Statistics
Industrial and commercial companies	58		
Financial account, net acquisition of financial assets	56		
Fixed investment	60		
Liquid assets, sources, and uses of funds	60		
Saving	56,58,60		
Security prices and yields (see Interest rates)			
Stock appreciation	58		
Taxes	58		
Consols (see Interest rates)			
Construction industry		Department of the Environment	Housing and Construction Statistics
Index of industrial production (see Industrial production)			
Orders received	18,20,30		
Output	30		
Consumers' expenditure		Central Statistical Office	Monthly Digest of Statistics
Component categories	10		
In relation to personal income	10		
In relation to total final expenditure	14		
Per capita	14		
Current balance (see Balance of payments)			

	Page	*Source*	*Further statistics*
Distributive trades			
Output	28	Central Statistical Office	Monthly Digest of Statistics
(see also Retail sales; stocks)			
Domestic income (see Incomes)			
Dwellings (see Housing)			
Earnings (average)		Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
All employees	5,40		
Employees in manufacturing industry	40		
Effective exchange rate of sterling	44	HM Treasury	Financial Statistics
Electricity (see Fuel and power)			
Eligible liabilities (see Banking)			
Employed labour force	34,36	Central Statistical Office	Monthly Digest of Statistics
Employees in employment		Department of Employment	Monthly Digest of Statistics Department of Employment Gazette
All industries and services	34,36		
Index of production industries, manufacturing industries	34		
Energy (see Fuel and power)			
Engineering industries		Department of Industry	Monthly Digest of Statistics Trade and Industry
Sales and orders: total, home market and export	30		
Eurodollar - 3 month rate (see Interest rate)			
Expenditure (see Total final expenditure)			
Exports			
Of goods		Department of Industry	Monthly Digest of Statistics Trade and Industry
Unit value index	44		
Value	5,46		
Volume index	44		
Of goods and services in relation to total final expenditure	8	Central Statistical Office	Monthly Digest of Statistics
Of passenger cars, commercial vehicles (see Motor vehicles)			
Orders: engineering industries (see Engineering industries)			
Final expenditure (see Total final expenditure)			
Financial accounts, analysis by sector	56	Central Statistical Office	Financial Statistics
Financial companies (see Companies)			
Fixed investment			
By industrial and commercial companies (see Companies)			
By sector and by type of asset	16	Central Statistical Office	Monthly Digest of Statistics Trade and Industry
Dwellings (see Housing)			
In relation to total final expenditure	8,14		Monthly Digest of Statistics
Manufacturing industry			
CBI Intentions Inquiry	18	Confederation of British Industry	Industrial Trends Survey
Contractors' orders for private industrial work	18	Department of the Environment	Housing and Construction Statistics
In plant and machinery, new buildings and work	18	Department of Industry	Monthly Digest of Statistics Trade and Industry
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